

SUPPORTING STATEMENT
Rule To Reduce Interstate Transport of Fine Particulate Matter and Ozone (Proposed Rule)

1.0 Identification of the Information Collection

1.1 Title of the Information Collection

Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone, EPA ICR Number 2391.01, OMB Control Number 2060-NEW

1.2 Short Characterization/Abstract

The United States (U.S.) Environmental Protection Agency (EPA) is proposing a Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Transport Rule) that replaces the existing Clean Air Interstate Rule (CAIR), includes new reporting requirements and combines these new requirements with existing requirements from the Consolidated Emissions Reporting Rule (CERR), the Emission Reporting Requirements for Ozone State Implementation Plan (SIP) Revisions Relating to Statewide Budgets for NO_x Emissions to Reduce Regional Transport of Ozone (NO_x SIP Call), and the Acid Rain Program under Title IV of the CAA Amendments of 1990. Each of these four existing requirements has an approved ICR in place. The current ICRs are CAIR (EPA ICR Number 2152.04/OMB Control Number 2060-0570), CERR (EPA ICR Number 0916.13/ OMB Control Number 2060-0088), NO_x SIP Call (EPA ICR Number 1857.04/ OMB Control Number 2060-0445) and Acid Rain Program (EPA ICR Number 1633.15/ OMB Control Number 2060-0258).

This supporting statement and ICR is being submitted to account for the incremental burden associated with the Transport Rule as a complete replacement for CAIR. As such, this supporting statement references the burden analysis included in EPA ICR Numbers 2152.04, 0916.13, 1857.04, and 1633.15, and estimates the change in burden resulting from the Transport Rule beyond the scope of the existing ICRs for the CERR, NO_x SIP Call requirements, and the Acid Rain Program. The burden included in this ICR includes start up and capital costs for units newly affected by an emissions trading program and/or whose reporting status has changed (e.g. from ozone season only to annual reporting), as well as the incremental operation and maintenance costs for all Transport Rule affected units. Under the Transport Rule, the burden and costs accounted for under the CAIR ICR (EPA ICR Number 2152.04) would no longer occur past 2011. Instead, all those burdens and costs would be accounted for under this ICR as part of Transport Rule implementation.

EPA will be publishing a Notice of Proposed Rulemaking in the Federal Register that among other things, will detail the additions and changes to reporting requirements associated with the Transport Rule. These changes can be logically divided in to two categories: (1) changes to existing requirements for emission reporting under the previous CAIR, CERR and NO_x SIP Call and (2) the addition of reporting requirements to support emissions trading in States using the Transport Rule model cap and trade rules. Throughout this Supporting

Statement, the burden analysis associated with these two categories will be discussed sequentially as "Emission Reporting Requirements" and "Emission Trading Requirements."

Emission Reporting Requirements

Taken together, the existing emissions reporting requirements under the NO_x SIP Call and CERR are already rather comprehensive in terms of the States covered and the information required. Therefore, the practical impact of the Transport Rule is to impose three new requirements.

First, in Georgia, Texas, Kansas, Minnesota, Nebraska, and Oklahoma which we have determined make significant contributions to ozone nonattainment in another State but are not among the 21 States subject to the NO_x SIP Call or the 26 states subject to CAIR ozone season (CAIROS) reporting, we propose that the required emissions reporting be expanded to match that of the NO_x SIP Call States. This change will require that they report NO_x emissions during the five-month ozone season, in addition to the existing requirement for reporting emissions for the full year. This new requirement begins with the triennial inventory year prior to the Transport Rule implementation date. This will be the 2011 inventory year, the report for which will be due to EPA by June 1, 2013.

Second, in Arkansas, Florida, Iowa, Louisiana, Mississippi, and Wisconsin which were determined for the purposes of the CAIR ICR to make significant contributions to ozone nonattainment in another State and were among the 26 states subject to CAIROS reporting, we propose that the required emissions reporting continue to match that of the NO_x SIP Call States. This requirement would not impose any additional start up/capital burden onto the states, but would rather continue reporting that is currently already required under the CAIR ICR.

Third, under the existing CERR, yearly reporting is required only for sources whose emissions exceed specified amounts. Under the Transport Rule, as under the existing CAIR, we propose that the 31 States and the District of Columbia subject to the Transport Rule for reasons of PM_{2.5} must report to EPA each year a set of specified data elements for all sources subject to new controls adopted specifically to meet the Transport Rule requirements related to PM_{2.5}, unless the sources participate in an EPA-administered emissions trading program. This is like the every-year reporting requirement for controlled sources under the NO_x SIP Call, but covering SO₂ in addition to NO_x and covering the whole year – since the PM_{2.5} NAAQS at issue is the annual NAAQS – rather than only the ozone season. This rule could increase the number of sources for which States must submit reports each year rather than only every third year, if the State does not join the EPA Transport Rule trading programs. This new requirement will begin with the 2012 inventory year, the report for which will be due to EPA by June 1, 2013. This new requirement will have no effect on States that fully comply with the Transport Rule by requiring affected sources to participate in the EPA model cap-and-trade programs.

Emission Trading Requirements

For this ICR, it is assumed that each State will adopt the relevant Transport SO₂, annual NO_x and ozone season NO_x model trading rules, and the burden associated with these programs is evaluated. The trading program burden would include the paperwork burden related to (1) transferring and tracking allowances; (2) permitting; (3) annual year end compliance

certification; and (4) monitoring and reporting. It is not expected that there will be a State paperwork burden related to allocation of allowances as EPA proposes to distribute allocations directly to each affected unit. The monitoring and reporting requirements of a trading program will require capital and labor expenditures by industry, and these are evaluated, as are labor expenditures accrued by the Agency in managing the trading programs.

Like with the Acid Rain Program, the NO_x SIP Call, and the CAIR, the ability to buy and sell (or transfer) allowances is expected to provide substantial economic benefits by encouraging the greatest emissions reductions where costs of reductions are lowest. Allowance trading cannot be implemented, however, unless regulations governing emissions monitoring and permitting of sources are in place as well. To ensure compliance with the emissions reduction requirements and to provide the region wide consistency needed to foster the allowance market, the designated representative of the owners and operators of each source with affected units are required to have Transport Rule requirements integrated into their Title V permits for the affected source and to certify that an approved SO₂ and NO_x emissions monitoring system has been installed and is properly operated at each affected unit.

For affected units currently required to monitor using Part 75 provisions, information for the allocation methodology will be recorded and collected as part of the emissions monitoring and reporting process.

While many sources have already installed the necessary emissions monitoring equipment due to requirements under other regulations, some sources will need to install new monitors or upgrade existing monitors. Capital costs also usually include the cost of initial certification of new or upgraded monitors, and this is included as part of start-up costs. Capital costs addressed by this ICR include costs for newly affected units under the Transport Rule and annualized capital costs for existing CAIR units that are not subject to the Acid Rain Program units.

Emissions monitoring and reporting by sources in the cap and trade program is fundamental to the allowance trading system. EPA will use the data contained in the reports to verify actual emissions. Without accurate monitoring and reporting of emissions, the integrity of the allowance system would be undermined, and there would be no assurance that the cap is achieved and emissions had been reduced. To meet the emissions monitoring, recordkeeping and reporting requirements, affected units are required to (1) submit a monitoring plan and certification reports for each monitoring system, (2) record hourly emissions data, and (3) submit reports of their emissions and operating data to EPA. All sources affected by the Transport Rule will be required to monitor and report SO₂ and NO_x emissions in accordance with 40 CFR Part 75. Sources with monitors already certified under Part 75 may be exempt from initial certification requirements.

All participants in the allowance transfer system are required either to complete and submit an allowance transfer form for each allowance transfer or to perform the transfer on-line. Participants in the transfer system that are not affected sources, such as allowance brokers, fuel suppliers and environmental groups are also required to file a onetime account information application to establish accounts in the allowance tracking systems. Unlike for the CAIR, allowance transfers currently conducted under the Acid Rain Program in the future will not occur

in the context of the Transport Rule Trading Program. However, the same allowance management system will be used for both trading programs.

2.0 Need for and Use of the Collection

2.1 Need/Authority for the Collection

One of the goals of this rulemaking is to consolidate the emission inventory reporting requirements found in several existing regulations and streamline the activities involved in submitting the emissions data to EPA. This will enable the EPA to achieve uniformity and completeness in emission inventories used to support national, regional, and local air quality planning and attainment.

While the CAA does not provide a specific authorization for a national emissions database, the CAA provides the EPA ample legislative authority for acquiring such data. Emissions data are of vital importance to the EPA for fulfilling a host of monitoring, standard-setting, rulemaking, reviewing, and reporting duties. Sections 110 and 301(a) of the CAA provide a primary authority for a national emissions database. Section 110 requires each State to prepare a plan which provides for implementation, maintenance, and enforcement of the primary standard for each pollutant for which air quality criteria have been issued. This plan must include provisions for periodic reports identifying sources and listing amounts of emissions. Section 301(a) authorizes the Administrator to promulgate necessary regulations.

Congressional support for collecting and reporting emissions data is demonstrated in three sections of the CAA. Section 110(a)(2)(F) requires that each State provide for periodic reports on the nature and amounts of emissions of criteria pollutants from stationary sources. Sections 182(a)(3)(A) and 187(a)(5) of the CAA specify periodic inventory requirements for ozone and CO nonattainment areas, respectively. Section 182(a)(3)(A) requires States with ozone nonattainment areas to submit a current inventory of actual emissions of VOC, NO_x, and CO every three years. Section 187(a)(5) requires a similar inventory of actual CO emissions for CO nonattainment areas. Periodic inventories include emission estimates for all point, nonpoint, onroad mobile, nonroad mobile, and biogenic sources. Section 172(c)(3) also provides the Administrator with discretionary authority to require other emissions data as deemed necessary for State Implementation Plan (SIP) development in nonattainment areas to meet the NAAQS.

In 1998, EPA promulgated the NO_x SIP Call which requires the affected States and the District of Columbia to submit SIP revisions providing for NO_x reductions to reduce their adverse impact on downwind ozone nonattainment areas (63 FR 57356, October 27, 1998). As part of that rule, codified in 40 CFR 51.122, EPA established emissions reporting requirements to be included in the SIP revisions required under that action.

Another set of emissions reporting requirements, termed the Consolidated Emissions Reporting Rule (CERR), was promulgated by EPA in 2002, and is codified at 40 CFR part 51 subpart A. (67 FR 39602, June 10, 2002). These requirements replaced the requirements previously contained in subpart Q, expanding their geographic and pollutant coverages while simplifying them in other ways.

As noted above, at present, two sections of title 40 of the CFR contain emissions reporting requirements applicable to States: subpart A of part 51 (the CERR) and section 51.122 in subpart G of part 51 (the NO_x SIP Call reporting requirements). The rulemaking consolidates these, with modifications as detailed below. The modifications are intended to achieve the additional reporting needed to verify the reductions required by the Transport Rule.

Under the NO_x SIP Call requirements in section 51.122, emissions of NO_x for a defined five-month ozone season (May 1 through September 30) from sources that the State has subjected to emissions control to comply with the requirements of the NO_x SIP Call are required to be reported by the affected States to EPA every year. Similarly, under the Transport Rule every year States would be required to report to EPA both the ozone season (May 1 through September 30) emissions of NO_x from affected sources and the annual emissions of NO_x and SO₂ from affected sources. The affected States are also required to report ozone season emissions and typical summer daily emissions of NO_x from all sources every third year (2011 is the next reporting year). The reports are due to EPA on December 31 of the calendar year following the inventory year. The emissions reporting requirements affect the District of Columbia and the 31 States affected by the Transport Rule. These requirements are comparable to existing requirements addressed under the existing CAIR ICR, but would be expanded to include additional states. This ICR would replace the CAIR ICR burdens for years 2012 and following.

2.2 Practical Utility/Users of the Data

Emission Reporting Requirements

Emissions data and related information on stationary point and nonpoint sources, as well as nonroad mobile and onroad mobile sources, are routinely used by the OAQPS and the EPA Regional Offices in carrying out a variety of activities. These activities support regulatory functions as well as functions that are more programmatic in nature such as trends analyses. Such projects include:

- Evaluation of existing control strategies, such as the NO_x SIP Call, for States and larger areas;
- Evaluation of proposed control strategies for States and larger areas, including applications of regional scale models;
- Development of national control strategies and preparation of Regulatory Impact Analyses (RIA);
- Preparation and publication of national summaries of emissions including trend analyses;
- As a database to assist in the identification of important source categories for future regulation; and
- Preparation of the stationary source portion of a report to Congress on SO₂ emissions. This report is required by Section 406 of the CAA and is due on a five year cycle that began on January 1, 1995. The report must contain an inventory of national annual SO₂ emissions from industrial sources (as defined in Title IV of the CAA).

EPA's Office of Research and Development (ORD) uses emissions source data in determining priorities for control technology research and as a key data component in the application of regional scale models. The EPA's Regional Offices use emissions and other source parameters to support source inspections and in the analyses of the impact of new or modified sources within an area. EPA's Emission Factor and Inventory Group (EFIG) use the data to assess and analyze trends in criteria pollutant emissions over time.

In addition to supporting projects and initiatives internal to EPA, both the OAQPS and the Regional Offices respond to numerous requests for reports on emission sources. Typically this is done under the Freedom of Information Act. Most requests come from contractors and consultants involved in special studies; a smaller number come from the press and universities and others involved in research.

The collection of emissions data specific to nonattainment areas for certain criteria air pollutants is necessary to comply with requirements specified in Title I of the CAA. States with nonattainment areas rely on current information for point, nonpoint, and mobile sources to revise their SIPs and to plan for emission reductions mandated by the CAA. In addition, a statewide inventory compiled at least every three years for all point, nonpoint, and mobile sources is considered to be a key tool to assist States in meeting CAA requirements that address emissions tracking, compliance issues, and mid-course adjustments. Statewide emission inventories can be used by States affected by pollution transport from upwind areas to develop more efficient control strategies to meet the NAAQS. Statewide emission inventories that were developed by EPA (the NEI) are being used by the Regional Planning Organizations (RPOs) as the starting point for the development of statewide emission inventories used in the regional haze program to define control strategies.

Emission Trading Requirements

Permit applications, including proposed compliance plans, will be used by States and EPA to issue operating permits and to allocate allowances. A permit application is legally binding on the owners, operators, and designated representative of a source until the actual permit is issued. Affected sources may rely on the permit for information on the requirements with which they must comply. Because permit applications and permits are public documents, they may be used by the public to examine activities undertaken by affected sources.

Data from emissions monitoring is indispensable to successful implementation of the trading programs for two reasons:

- The primary purpose of the trading programs is to assist States in the attainment of the ozone and fine particulate matter national ambient air quality standards (NAAQS) by reducing the adverse effects of the transport of ozone, ozone precursors and fine particles from upwind States by reducing annual emissions of sulfur dioxide and nitrogen oxides; and
- EPA can only enforce the program by comparing, for each affected unit, emissions data and the number of allowances held.

Information collected on allowance transfers is used by EPA or its designated agent to track allowances for the purpose of determining compliance with the NO_x and SO₂ Trading Programs. Information on allowance transfers is also used by participants in the allowance market and the public to evaluate the activities of affected sources, and by EPA for program evaluation.

Together, the allowance trading system, operating permits, and emissions data helps to provide the accountability to allow the NO_x and SO₂ Trading Programs to function without more stringent command and control approaches.

3.0 Nonduplication, Consultations, and Other Collection Criteria

3.1 Nonduplication

Emission Reporting Requirements

The EPA will allow the direct reporting of point source data from sources to EPA to satisfy this requirement if the sources are subject to the monitoring and reporting requirements of 40 CFR Part 75. The direct reporting of data from sources to EPA will minimize the reporting burden on States. Also, direct reporting will avoid duplication of effort for sources subject to Part 75 requirements.

Emission Trading Requirements

Reporting requirements for affected sources for the Transport Rule NO_x and SO₂ Trading Programs are integrated with existing Part 75 reporting formats. These reporting formats are currently used by Acid Rain Program units under Title IV of the Act, as well as by CAIR affected units. Thus, for units subject to Acid Rain or Transport Rule quarterly reporting requirements, or both, only one submission will need to be made on a quarterly basis. (CAIR trading program reporting will be replaced with Transport Rule reporting.)

3.2 Public Notice Required Prior to ICR Submission to OMB

The preamble to the proposed rule will provide the public with notice of and the opportunity to comment on this ICR.

3.3 Consultations

Emission Reporting Requirements

During formulation of the CAIR, discussions were held with NACAA to clarify EPA's logic in developing the emissions reporting requirement contained within the rule and to answer questions. Information arising from those discussions, as well as the decision handed down in the *North Carolina v. EPA* case related to the CAIR (531 F.3d at 908), were taken into consideration when developing the Transport Rule emissions reporting requirements.

Emission Trading Requirements

The requirements for the Transport Rule Trading Programs have been developed using the methodology found in existing trading programs, consultations with interested parties, and reflections upon the decision handed down in the *North Carolina* case (531 F.3d at 908). EPA built on the cap and trade strategy used in the Acid Rain Program, Ozone Transport Commission's NO_x Budget Program, and the NO_x SIP Call, and addressed the court's concerns related to "emissions from sources that contribute significantly and interfere with maintenance" in another state. *North Carolina* (531 F.3d at 908).

EPA held two workshops with states in the NO_x SIP Call or OTC programs to discuss lessons learned in those programs when formulating the emissions trading requirements of the CAIR. Additionally, EPA has had frequent interaction with affected sources and states in the course of implementing the Acid Rain, NO_x SIP Call, and CAIR Trading Programs. In 2009, EPA held a series of conference calls and meetings with stakeholders to identify potential options for addressing the *North Carolina v. EPA* court decision. EPA has received comments following the workshops and through other interactions and considered and incorporated those comments into the proposed Transport Rule and this ICR.

Finally, as part of updating the ICR for the Acid Rain Program (Part 75) monitoring requirements, EPA contacted various affected parties to gather information on CEM capital costs, CEM operation and maintenance costs, fuel meter capital costs, and CEM/fuelmeter testing costs. That information has been used in this ICR where appropriate.

3.4 Effects of Less Frequent Collection

Emission Reporting Requirements

The submittal dates required for reporting of emissions data to EPA have been established to minimize the burden on State and local agencies, but also to ensure that State and local agencies are collecting timely and sufficient emissions inventory data to support their air pollution control efforts. A statewide inventory compiled at least every three years for all point, nonpoint, and mobile sources is considered important to assist States in meeting various CAA requirements.

If the information collection were not carried out every three years for all sources and annually for major point sources, the EPA would not be able to maintain a central, national repository of emissions data from which to extract updated information needed to fulfill EPA mandates.

If this information collection were not carried out annually for sources being controlled to meet the SO₂ and NO_x budgets, EPA would not be able to verify that emission reductions necessary to meet each State's SO₂ and NO_x emission budgets were being achieved.

In addition, a triennial report of all NO_x sources statewide is vital in enabling EPA to track States' progress towards meeting the NO_x budgets. Because the SO₂ and NO_x budgets prescribed have been deemed essential in order for downwind States to attain the NAAQS in a timely manner, data collected less frequently would be of little or no use.

Emission Trading Requirements

Submittal of allowance trading information and emissions information on an annual basis provides necessary feedback on the requirements of the program, especially whether the program caps have been maintained. If this information collection were not carried out annually for sources being controlled to meet the SO₂ and NO_x budgets, EPA would not be able to verify that emission reductions necessary to meet each State's SO₂ and NO_x emission budgets were being achieved. Because the SO₂ and NO_x budgets prescribed have been deemed essential in order to aid downwind States in attaining the NAAQS in a timely manner, data collected less frequently would be of little or no use.

Quarterly collections of emissions data allows the opportunity to check data for errors and provide rapid feedback on needed adjustments to data collection systems, and thereby promotes accurate and reliable emissions data. For this same reason, existing federal and state emission monitoring programs often require quarterly reporting, or in some cases, monthly. Less frequent collection, such as semi-annually or annually, would increase the amount of preparation and review time at the end of the reporting period both for regulated sources and for EPA. This would slow down the process for the verification of compliance.

3.5 General Guidelines

This ICR does not violate any of OMB's guidelines for information collections.

3.6 Confidentiality

Any data that is submitted to EPA under this rule will be considered in the public domain and cannot be treated as confidential.

As required by Section 114 of the Clean Air Act, estimates or measurements of emissions must be treated as non-confidential. Under Agency procedures, data items relating to the computation of emissions may be identified as sensitive by a State and are then treated as "State-sensitive" by EPA. The potentially State-sensitive items include the following: Process rate, boiler design capacity, emission estimation codes, percent space heat, operating rate, and maximum operation rate/hour. Where Federal and State requirements are inconsistent, EPA Regional Office should be consulted for final reconciliation.

3.7 Sensitive Questions

This information collection does not ask any questions concerning sexual behavior or attitudes, religious beliefs, or other matters usually considered private.

4.0 The Respondents and the Information Requested

4.1 Respondents/Standard Industrial Classification (SIC) Codes

Emission Reporting Requirements

The emissions data required by the rule will generally be submitted by State air pollution control agencies. Under the CERR and existing CAIR, there are 55 State and Territorial air

pollution control agencies, as well as 49 local air agencies that are subject to the national reporting requirements and are required to compile and report emissions information for large stationary point sources on an annual basis, and for smaller point sources, stationary nonpoint and mobile sources on a triennial basis. The Transport Rule would require 31 States and the District of Columbia to report NO_x and SO₂ emission related data on an annual and triennial basis. Those States subject to the rule for reasons of PM_{2.5} and/or ozone would have to report to EPA each year a set of specified data elements for all sources subject to new controls adopted specifically to meet the Transport Rule requirements related to PM_{2.5} and/or ozone, unless the sources participate in an EPA-administered emissions trading program. The affected SIC code would be 9511 - *Air and Water Resource and Solid Waste Management*, which includes governmental environmental protection and control agencies, and pollution control agencies.

Emission Trading Requirements

This ICR also estimates a burden for affected industry sources to monitor SO₂ and NO_x mass emissions and demonstrate compliance with SO₂ and NO_x control measures. Sources would report data directly to EPA as required to meet the monitoring and reporting requirements of Part 75. This rule affects large electric utility sources which are generally classified as either SIC 4911 - *Electric Services*, or 4931 - *Electric and Other Services Combined* [NAICS 221112 *Electric Power Distribution*].

4.2 Information Requested

Emission Reporting Requirements

The CERR and NO_x SIP Call established the basic emission reporting requirements. The CAIR modified these requirements and the Transport Rule would continue to implement the changes included in CAIR requirements such that the previously accounted for reporting burden would also change. Only the incremental changes to the CERR and NO_x SIP Call reporting requirements that would change reporting burden are discussed here.

Respondent Activities

For the emission inventory reporting requirements of the CAIR (and now the Transport Rule), respondent activities are very similar to what has been required to satisfy reporting under CERR and the NO_x SIP Call. The specific State respondent activities associated with the Transport Rule that are changes from the existing CERR requirements include a triennial State reporting burden, the first of which would be due to EPA in 2014.

For the purposes of this ICR, the one-time State burden items include reading the reporting requirements of the rule.

Emission Trading Requirements

This section describes the data items requested from affected sources for the collections described in this ICR. This section also defines the activities in which respondents must engage to assemble, submit, or store these data items.

(i) Data Items, Including Recordkeeping Requirements

(a) Allowance Tracking

There are several data items required for allowance tracking activities. First, the affected source must submit account certificates of representation for the Transport Rule designated representative and (if desired) alternate Transport Rule designated representative. This documentation, the requirement for which is found in 40 CFR §§ 96.113, .213 and .313, must include:

- Identification of the source and unit;
- Dates on which the unit commenced operation and commenced commercial operation;
- Name and contact information for the Transport Rule designated representative and alternate;
- A list of the owners and operators of each source and unit; and
- A certification statement and signature of the Interstate Transport Rule designated representative and alternate.

Certification applications are to be kept for a period of five years pursuant to the general requirements imposed for Title V permitted facilities.

(b) Permitting

The basic requirement for permitting is an application for a permit revision to a source's operating permit issued under Title V of the Act. Although there is some possibility that a non-Title V source could be affected under the Transport Rule Trading Program, all affected sources are assumed to be Title V sources for purposes of this ICR. It is assumed the permit revision application and all other monitoring, reporting or recordkeeping requirements associated with Title V permitting are either part of the baseline Title V requirements or are covered separately under section 4(c). Title V permit applications must be kept for five years pursuant to Title V recordkeeping requirements. In addition, coal-fired units that are not part of the Acid Rain Program are expected to have to apply for a permit to construct under Title I of the Act, and all sources are expected to have to submit a revised certificate of representation.

(c) Monitoring and Reporting

Affected trading program sources are required to monitor SO₂ and NO_x mass emissions, and record and report emissions data using the requirements of 40 CFR Part 75. The emissions monitoring requirements specify that affected sources must (1) submit a monitoring plan for each affected unit at a source, (2) submit data for certification of each monitor, and (3) record hourly operational, pollutant monitor, and flow monitor data for each affected unit and submit quarterly reports of their emissions data to EPA.

Respondents are required by 40 CFR 75.64 to submit the quarterly SO₂ and NO_x mass emissions data electronically, by direct electronic submission to EPA, and must also include a certification statement by the designated representative of the unit. All monitoring records are to be kept for three years, with one possible exception under a voluntary option for fuel flowmeter calibration testing.

(ii) Respondent Activities

The primary tasks that will be performed by trading program respondents to meet the emissions monitoring requirements are (1) completing and submitting appropriate monitoring plan forms for each affected source and each affected unit at a source; (2) conducting tests to certify the operation of monitors, and submitting test results to EPA; (3) recording hourly emissions data (this activity generally is performed electronically); (4) operation and maintenance activities associated with the monitoring, including quality assurance activities; (5) assuring data quality preparing quarterly reports of emissions data and submitting these reports to EPA; and (6) responding to error messages generated by EPA. In addition, respondents will have to purchase the necessary monitoring hardware and purchase the electronic data reporting software (or software upgrades).

5.0 The Information Collected – Agency Activities, Collection Methods, and Information Management

5.1 Agency Activities

Emission Reporting Requirements

The EPA activities associated with the rule include:

- Receiving, reviewing, and storing emission inventory data submitted by each State;
- Processing and updating data submitted by States, including performing quality assurance of data, and coordination of efforts to resolve errors and anomalies; and
- Fulfilling information requests.

Emission Trading Requirements

The major EPA activities related to the Transport Rule Trading Program include (1) allocation of allowances to affected units, (2) maintenance and administration of the SO₂ and NO_x allowance tracking systems, (3) reviewing certificates of representation, (4) reviewing permit applications, (4) reviewing monitoring plans and certification applications, (5) processing, reviewing and evaluating reports of quarterly emissions data from affected units, (6) calculating/reviewing annual emissions from affected sources, and (7) reviewing total annual emissions data submitted to track each State's progress toward meeting its budgets and creating a summary report of emissions. EPA will use a computer system to track and maintain monitoring and emissions information. EPA will also answer respondent questions and conduct audits of data submissions.

5.2 Collection Methodology and Management

Emission Reporting Requirements

The EPA has established a central repository of inventory data for all States termed the National Emissions Inventory (NEI) database. Emissions inventory data reported electronically will be stored in the NEI database and used by the EPA and by other States for air modeling, tracking progress in meeting CAA requirements, setting policy and answering questions from the public.

The EPA has created and maintains the NEI database as a central repository of inventory data for all States, but the data must be supplied by the States in electronic form. The EPA currently requires that States use the Consolidated Emissions Reporting Schema (CERS) for electronic data reporting (EDR).

Emission Trading Requirements

To ensure consistency region wide and to expedite data entry, EPA requires that standard formats used for Part 75 reporting be used to submit the information collected for the Transport Rule Trading Programs.

Several computer systems and associated databases have been developed to (1) track allowances, (2) record quarterly emissions monitoring data, and (3) calculate the number of allowances to be deducted each year. The systems and databases are designed to coordinate the information for easy access and use by the Agency, states, regulated community, and the public.

The EPA also has established a Clean Air Markets Page on the Internet, which includes detailed information collected from emissions reports. Those without access to the Internet may use the Clean Air Markets Hotline to request information, including summary reports. The Agency expects to rely on these electronic means to disseminate information about the Transport Rule Trading Program as the program is implemented.

5.3 Small Entity Flexibility

Emission Reporting Requirements

State and Territorial control agencies are not considered to be small entities. According to EPA's ICR Handbook, OMB's definition for a small entity includes small governmental jurisdictions with populations of less than 50,000. According to 2009 population data from the U.S. Census Bureau, no State or Territory has a population below this threshold. However, certain local air pollution agencies may be in charge of individual counties or multi-county areas whose population is less than 50,000.

These local agencies have had experience compiling their annual and triennial inventories that were submitted to EPA starting in June 2004 as required by the CERR.

Emission Trading Requirements

The Transport Rule Trading Program includes fossil fuel-fired units (stationary boilers and combustion turbines) that serve an electrical generator of capacity greater than 25 MWe. Units with a lower capacity are not included because of the high cost of monitoring emissions from these sources and the *de minimis* nature of their emissions. In addition, certain cogeneration units and solid waste incinerators would be eligible for exemptions if they met the criteria outlined in the proposed rule.

There is one provision applicable to the Transport Rule Trading Program which provides for reduced monitoring. The low mass emissions provisions (40 CFR 75.19) allows optional reduced monitoring, quality assurance, and reporting requirements for units that combust natural gas and/or fuel oil and that emit no more than 100 tons of NO_x annually provided that no more than 50 tons of NO_x is emitted in the ozone season (May 1 – September 30) and no more than 25 tons of SO₂ annually and that calculate no more than the same amount based on specified procedures for calculating and reporting emissions. Utilities that qualify are not required to keep monitoring equipment installed on (or conduct fuel sampling for) low mass emissions units, nor are they required to perform quality assurance or quality control tests. Moreover, emissions reporting requirements are significantly simplified for these units.

Even if a gas- or oil-fired unit does not qualify for the "low mass emissions unit" provisions, the monitoring provisions of Part 75 do allow for the use of alternative methods to determine emissions. As discussed in the Regulatory Impact Analysis (RIA) of the final Acid Rain Implementation Regulations (October 19, 1992), smaller utilities are more likely to be dependent on these oil- and gas-fired units, especially very small utilities (see p. 5 – 14 of that RIA document). This analysis remains relevant to this rulemaking.

5.4 Collection Schedule

Collection frequency under the Transport Rule will be on a quarterly, annual, and triennial basis. All affected industry sources will use ECMPS to submit monitoring plan, quality assurance, certification test, and emissions data to EPA on a quarterly basis. In addition, the Transport Rule requires the collection of allowance trading information as trades are conducted, and there are certain other "event" submissions that are submitted on a one-time or annual basis. States would report emission inventory annually for affected sources (but only if they do not participate in the emission trading program) and would submit a statewide inventory reports of NO_x and SO₂ every three years.

6.0 Estimating the Burden and Cost of the Collection

6.1 Estimating Respondent Burden

Emission Reporting Requirements

The respondent burden for complying with the reporting requirements of the rule is estimated incremental to the burden associated with existing annual inventory and periodic inventory reporting requirements.

In general, States already have mechanisms in place for reporting emissions data to EPA under the existing CERR and NO_x SIP Call inventory requirements. The changes to the existing reporting requirements are specified in Section 4(b)(i) of this supporting statement.

Other ongoing State activities that support existing inventory reporting requirements include:

- Collecting emissions data and other associated information;
- Training staff in coding and submissions techniques;
- Quality-assuring emissions data and resolution of errors and anomalies identified by EPA;
- Maintaining records associated with data submitted by sources; and
- Preparing and submitting required inventory data items in approvable format.

The following sections discuss the assumptions used to develop burden hour estimates for one-time only activities and triennial activities. Table 6-5 lists the burden items included under these categories, and presents their associated burden hours for one year. Based on the existing CAIR ICR, managerial time was generally estimated to be five percent of technical staff time. Burden hours and associated costs were estimated for the year prior to the start of the Transport Rule and the first two-year period that the affected States would have to start reporting emissions data to EPA. In this case, that period corresponds to the years 2011, 2012, and 2013. Table 6-6 shows the required activities that a State must perform each year, beginning in the year 2011 through 2013. Table 6-7 presents the State and local respondent annual burden hours and costs by activity.

One-time Activities

The time for States, Territorial, and local agencies to read and interpret the reporting requirements of the rule was estimated to be one hour for technical staff and one hour for managerial staff.

Triennial Activities

The Transport Rule adds six additional states (GA, TX, KS, MN, NE, and OK) that would be subject to the NO_x SIP Call inventory reporting requirements. These States would have the additional burden of having to estimate and report NO_x emissions for the five month ozone season in addition to the existing requirement for reporting emissions of all pollutants for the full year. This requirement is to be effective for the 2012 inventory year. For these States, EPA estimates that each respondent would spend 24 hours of technical staff time and one hour of managerial staff time.

As part of the CAIR, Arkansas, Florida, Iowa, Louisiana, Mississippi, and Wisconsin became subject to the NO_x SIP Call inventory reporting requirements. As part of the Transport

Rule, these states would continue to be subject to these reporting requirements. This ICR would replace the CAIR ICR, and thus accounts for those burdens.

The Agency's incremental burden to receive, store, and review these submissions is assumed to be fully covered by existing estimates for supporting inventory requirements in the ICR's for the CERR and the NO_x SIP Call.

Emission Trading Requirements

This section estimates the paperwork burden and cost of submitting permit applications, certificates of representation, allowance tracking and transfer materials (including applications for early reduction credits), yearend compliance certifications, submittal of monitoring plans, obtaining certification of each monitoring system, conducting monitor quality assurance activities, and recording and reporting data from CEM systems (or approved alternatives).

To estimate the burden and/or cost of each incidence of the various rule revisions, EPA had available prior estimates of the costs of various activities, estimates provided by affected utilities in comments to the Agency, and estimates based on the Agency's experience in implementing the existing trading programs.

For the purposes of this analysis, the trading sources are grouped into the following categories:

- Trading units located in a PM/O₃ State in the NO_x SIP Call Region or which report for the CAIROS Program (AL, CT, DE, FL, IL, IN, KY, LA, MD, MI, NJ, NY, NC, OH, PA, SC, TN, VA, WV and DC);
- Trading units located in a PM/O₃ State not in the NO_x SIP Call Region and which do not report for the CAIROS Program (GA and KS);
- Trading units located in a PM State in the NO_x SIP Call Region or which report for the CAIROS Program (MA, MO, and WI);
- Trading units located in a PM State not in the NO_x SIP Call Region and which do not report for the CAIROS Program (MN and NE);
- Trading units located in an O₃ State in the NO_x SIP Call Region or which report for the CAIROS Program (AR and MS); and
- Trading units located in an O₃ State not in the NO_x SIP Call Region and which do not report for the CAIROS Program (TX and OK).

The Transport Rule Trading Program requires all affected sources to monitor a NO_x emission rate, SO₂ emission rate and heat input in order to determine NO_x mass emissions and SO₂ mass emissions. Coal-fired units use an SO₂, NO_x, and flow CEMS to meet those requirements. Oil and gas units have some alternatives. For SO₂, these units can use fuel sampling and analysis (or an SO₂ default factor for pipeline natural gas) combined with a fuel flowmeter. In addition, peaking units that burn natural gas and/or fuel oil may use an alternative

method for calculating NO_x emission rates. EPA will also allow certain low mass emissions units to use assumed emissions factors together with operational data to calculate emissions.

For purposes of this ICR, it is important that the burdens and costs be calculated only in terms of incremental impacts for units located in NO_x SIP Call States or subject to the Acid Rain Programs. The NO_x Budget Trading Program was a region wide cap-and-trade program that targeted utility and large industrial combustion sources to facilitate NO_x emissions reductions in the NO_x SIP Call region. The NO_x SIP Call States in the Transport Rule region include Alabama, Connecticut, Delaware, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia and the District of Columbia. The NO_x Budget Trading Program was replaced by the CAIROS Trading Program, but the ICR for the NO_x SIP Call remains in place and addresses the burden for these affected sources. States not included in the NO_x Budget Trading Program but subject to ozone season reporting under the CAIROS Program include Arkansas, Florida, Louisiana, Iowa, Wisconsin, and Mississippi. Under the Transport Rule, and for purposes of this ICR, the incremental Ozone Season burdens were limited to Georgia, Texas, Kansas, Minnesota, Nebraska, and Oklahoma. No states in the NO_x SIP Call region would be excluded from the Transport Rule's ozone season trading program. Similarly, units subject to the Acid Rain Program already have much of the monitoring and reporting capability and requirements that would apply under the Transport Rule. Finally, sources not subject to the Acid Rain Program or NO_x SIP Call still have existing requirements for CEMS in some cases. Thus, it should be noted that the labor hours and cost estimates per unit identified in this document, represent the weighted average burden and cost for all units and do not represent the actual burden and cost for a particular unit. See the following table for a graphical reference of State reporting classifications related to the NO_x SIP Call, the CAIR, and the Transport Rule.

**Table 6-1:
State Reporting Classifications for the NO_x SIP Call, CAIR, and Transport Rule**

State	NO _x SIP Call Ozone	CAIR Ozone	CAIR Annual	Transport Rule Ozone	Transport Rule Annual
	No Change in Classification				
Arkansas		X		X	
Alabama	X	X	X	X	X
Delaware	X	X	X	X	X
Florida		X	X	X	X
Illinois	X	X	X	X	X
Indiana	X	X	X	X	X
Kentucky	X	X	X	X	X
Louisiana		X	X	X	X
Maryland	X	X	X	X	X
Michigan	X	X	X	X	X

New Jersey	X	X	X	X	X
New York	X	X	X	X	X
North Carolina	X	X	X	X	X
Ohio	X	X	X	X	X
Pennsylvania	X	X	X	X	X
South Carolina	X	X	X	X	X
Tennessee	X	X	X	X	X
Virginia	X	X	X	X	X
West Virginia	X	X	X	X	X
DC	X	X	X	X	X
	Annual Reporters with Ozone Status Changes				
Georgia			X	X	X
Iowa		X	X		X
Missouri	X	X	X		X
Wisconsin		X	X		X

(cont.)

**Table 6-1:
State Reporting Classifications for the NO_x SIP Call, CAIR, and Transport Rule (cont.)**

State	NO _x SIP Call Ozone	CAIR Ozone	CAIR Annual	Transport Rule Ozone	Transport Rule Annual
No Longer Ozone-Only					
Connecticut	X	X		X	X
Massachusetts	X	X			X
Now Ozone-Only					
Mississippi		X	X	X	
Texas			X	X	
New States					
Kansas				X	X
Minnesota					X
Nebraska					X
Oklahoma				X	

The following discussion highlights some of the basic differences for the categories of units. Included in this discussion is the consideration of monitoring and reporting that is done by many of these sources under the Acid Rain and CAIR Annual Programs.

Trading units in PM/O₃ and PM only States in the NO_x SIP Call region or which report for the Acid Rain Program will have the smallest overall impact with regard to monitoring and reporting. Acid Rain affected units are already monitoring and reporting both SO₂ and NO_x emissions on a year round basis and will not incur additional burdens (or capital and operating and maintenance costs) as a result of the Transport Rule since they have already installed and are operating a CEMS (or approved alternative) and meet Part 75 requirements for both SO₂ and NO_x. Similarly, CAIR annual units will not incur any additional capital costs as they have already installed and are operating a CEMS (or approved alternative) and meet Part 75 requirements for both SO₂ and NO_x. However, as a full replacement for CAIR, this ICR incorporates the burden and costs associated with monitoring at these CAIR units, including annualized capital costs that would continue to be born under the Transport Rule.

Sources that are not affected by the Acid Rain Program but were subject to the NO_x SIP call are already monitoring and reporting NO_x emissions during the O₃ season. If in a PM State, these sources will need to extend their monitoring and reporting throughout the year and add SO₂ monitoring for the Transport Rule. Additionally, these units will have a small additional burden associated with permit applications and certain allowance transactions.

Trading units in PM/O₃, or PM only States not in the NO_x SIP Call region are similarly impacted by the Transport Rule reporting requirements. These States have Acid Rain units that are already monitoring and reporting SO₂ emissions and NO_x rates on a year round basis and in accordance with Part 75. These sources will need to report NO_x mass emissions year round and, for the PM/O₃ States, also include an ozone season NO_x total. These sources are measuring and reporting SO₂ mass emissions, which requires heat input measurement that can be used with the NO_x emission rate information to calculate NO_x mass emissions. Therefore, these sources would need to make minor modifications to their reporting practices in order to report NO_x mass emissions for this program, but would not likely need to purchase additional monitoring equipment. The non-Acid Rain units in these states will incur the largest impact with regard to monitoring since these are the sources that were not required to monitor according to Part 75 prior to the implementation of CAIR, and the continuation of these monitoring requirements under the Transport Rule. Monitoring will depend on the type of fuel and the amount of time the unit is operated. Therefore, the costs will vary depending on what monitoring alternative is appropriate for the unit and what monitoring requirements apply to the unit under other regulatory programs. This ICR includes updated estimates for all units under CAIR and adds newly affected sources in the expected Transport Rule Region.

Trading units in O₃ States that are in the NO_x SIP Call will have no additional monitoring and reporting burden since they were already complying with the NO_x monitoring requirements in Part 75 in the ozone season. These burdens and costs are reflected in the NO_x SIP Call ICR.

Trading units in O₃ States that are not in the NO_x SIP Call region (Arkansas and Oklahoma) will need to install NO_x monitoring systems to comply with Part 75 in the ozone season.

Sources will be subject to the Transport Rule Trading Programs NO_x and SO₂ monitoring and reporting requirements starting in 2012. Compliance with the emissions caps--with allowance holding requirements--begins in 2013. Table 6-8 shows the burden associated with

monitoring SO₂ and NO_x under the Transport Rule Trading Programs at the various types of sources.

The primary tasks performed by owners and operators of affected units are (1) permitting, (2) monitoring, recording, and reporting emissions data, (3) allowance trading activities and (4) submittal of the year end compliance certification.

(i) Respondent Permitting Activities

Some sources will also be required to construct additional facilities, and therefore will need to complete a permit to construct application. The Agency estimates that this requirement will be necessary for all coal-fired units that are not in the Acid Rain Program or CAIR Programs. Based on the existing CAIR ICR, the Agency estimates that this task will take 20 hours of managerial and 20 hours of technician time, per permit.

Each affected entity will have to submit a revised certificate of representation to EPA for the Transport Rule. The Agency believes that this revision should be relatively routine. The Agency estimates that, on a per unit basis, about one half hour of managerial time and one half hour of technical time will be required to revise the certificate of representation.

(ii) Agency Permitting Activities

Agency permitting activities include reviewing certificates of representation and records information, reviewing permit applications, issuing draft, proposed, and final permits, and receiving and processing retired and new unit exemptions. The Agency estimates that these activities will require 3,044 hours per year (see Table 6-9).

(iii) Respondent Monitoring Activities

For monitoring, the burdens differ greatly based on the amount and type of monitoring the unit is already subject to and the particular subtask of monitoring being conducted. The specific elements of burden are:

Start-up Activities

A large part of start-up activities involves capital and test contractor costs. However, the owner or operator will incur some labor burden and costs for these activities, as applicable:

- 1) For Acid Rain units in NO_x SIP Call States, the Transport Rule imposes no start-up burdens beyond existing programs.
- 2) For Acid Rain units in other States, the owner or operator will incur some small amount of burden and costs associated with DAHS upgrades.
- 3) For the non-Acid Rain units in PM/O₃ States that are in the NO_x SIP Call region, the burdens and costs reflect arranging for SO₂ CEMS purchase (as required) and oversight of the certification process.

- 4) For non-Acid Rain/CAIR Annual units in PM/O₃ States that are not in the NO_x SIP Call region, burdens reflect purchase and certification of NO_x and SO₂ monitoring systems.
- 5) The non-Acid Rain units in O₃ States not in the NO_x SIP Call region would need to purchase and certify NO_x monitoring systems.
- 6) For the non-Acid Rain units in PM States that are not part of the NO_x SIP Call region burdens reflect purchase and certification of NO_x and SO₂ monitoring systems.

Note that where the start-up burdens were already incurred as a result of CAIR, this ICR reflects a minimal burden hours or non-capital costs, but continues to account for annualized capital costs.

Regulatory Review

The ICR includes an allocation of time for the managerial and technical staff to review the regulatory requirements and the XML formats and instructions. The units not in the Acid Rain or CAIR Programs or previously part of the NO_x SIP Call will have a burden similar to that estimated for Acid Rain Program units in the Acid Rain Program ICR -- 16 hours of managerial time and 16 hours of technician time in year one of the program and four hours each for managerial and technician time, per year, after year one. The burden estimates for all units previously included in the Acid Rain, CAIR, or NO_x SIP Call is reduced because of the similar requirements involved in these trading programs. The estimates for these units are ten hours of managerial time and ten hours of technician time in year one and one hour each per year after year one.

Response to Error Messages

The Agency provides feedback to affected sources for errors that are found in monitoring plans or other reports. The Agency estimates that for each unit not previously included in the Acid Rain or NO_x SIP Call, an owner or operator will spend approximately four hours of managerial time and eight hours of technician time responding to these error messages each year. (The time for the other sources is accounted for in other ICRs.)

DAHS Debugging

Based on experience with the Acid Rain and CAIR Programs, some effort will be involved to fix problems with the DAHS software used to report in the Part 75 formats. This burden is assumed to fall primarily on units that have not previously been affected under the Acid Rain or NO_x SIP Call programs. Consistent with the existing Part 75 ICR, the Agency estimates that about 14 managerial and 80 technician hours will be spent on this task in the first year of implementation, and then one managerial and four technician hours will be required in the second and subsequent years of implementation. Units previously subject to CAIR, are expected to incur the "subsequent years" burden.

Monitoring Plans

The regulations require submittal of monitoring plans. Because most of the monitoring plan elements are now part of the reporting format, the effort involved in developing and maintaining the plans are incorporated into the overall reporting burden estimate.

Monitor Certification/Recertification

Initial certification burdens and costs for new monitoring equipment are addressed above under start-up activities since these costs are often part of the overall purchase expense for the equipment. For some non-Acid Rain units, however, there will be burdens associated with certifying existing monitors used under other programs for this program, as well as burdens for recertification to the extent a change in a monitoring system requires recertification. Based on the current CAIR ICR, EPA estimates that approximately ten percent of all units will have to recertify each year following the year in which the initial certification occurs. The ICR incorporates a labor burden estimate generally consistent with existing Agency models for the labor burdens associated with certification. However, note that the ICR reduces the labor hours for this activity to avoid double counting hours that are already accounted for in the quality assurance activity area (see the following subsection). The double counting would occur because a portion of the labor incurred for the certification or recertification event replaces the labor burden that is generally allocated to the annual relative accuracy test audit (RATA) in the year in which the certification event occurs.

Quality Assurance

Quality assurance (QA) activities and other routine maintenance for monitoring systems is the largest burden item under the Transport Rule Trading Programs. These requirements generally include daily, quarterly, and annual QA requirements, depending on the monitoring approach being used. For reporting units that use a CEMS, the Agency has assumed a per unit labor burden based on a variety of sources, including the existing Acid Rain Program ICR, the existing NO_x SIP Call ICR, information provided by Acid Rain Program and CAIR sources, a CEM cost model developed by EPA, and comments submitted in response to the section 110 SIP Call for ozone transport. For units that rely on alternative methodologies, reduced labor burden estimates apply because the quality assurance activities for the excepted methods are less than for a CEMS. Consistent with the existing Acid Rain Program and CAIR ICRs, the labor burden is expected to be almost entirely technician labor.

Quarterly Reports

Tasks performed by utilities in preparing quarterly reports include: (1) assuring the quality of the data, (2) preparing the quarterly report, (3) revising the monitoring plan, if necessary, (4) preparation of hard copy documentation accompanying the quarterly reports, and managerial review. The existing Acid Rain ICR was used as the basis for these estimates.

Fuel Sampling

To calculate heat input where the source is using the fuel flowmeter option for an oil or gas-fired unit, the source must obtain gross calorific value data from sampling in accordance with Appendix D of Part 75. For purposes of this ICR, it is assumed that the GCV data would be

collected as part of standard business operating procedures to assure compliance with contractual specifications. Thus no additional fuel sampling burdens or costs should be incurred.

(iv) Agency Monitoring Activities

Agency activities related to the monitoring and reporting of emissions data include processing, reviewing and evaluating reports of quarterly emissions data from affected units. The Agency estimates that these activities will require 3,924 hours per year (see Table 6-10).

(v) Respondent Allowance Transaction Activities

The Agency anticipates the average number of additional allowance transactions will be approximately 7,500 per year beginning in 2012. This estimate is based on transaction data associated with the current CAIR trading programs. A portion of all units will likely conduct transactions in each year solely as a result of this program. The Agency believes that each transaction will involve about one hour each of managerial and technician time.

(vi) Agency Allowance Transaction Activities

Agency activities related to Allowance Transactions include allocating allowances to existing and new units, reviewing allowance transfer information, recording transfers, notifying transfer participants, and entering deduction data and deducting allowances. The Agency estimates that these activities will require 290 hours per year (see Tables 6-11 and 6-12).

6.2 Estimating Respondent Costs

Table 6-7 presents state and local respondent annualized hours and costs for each information collection activity. To estimate annualized hours and costs for one-time and triennial activities, the burden estimate is divided by three to estimate the burden over a three-year period. Table 6-8 summarizes the annual industry respondent costs. The following discussion describes how the costs were derived.

(i) Estimating Labor Costs

For this ICR, the labor rate used for technical staff at State agencies is \$39.83 per hour, and the labor rate for managerial employees at State agencies is \$48.80. These labor rates include benefits and overhead. These labor rates are derived from data shown on the U. S. Department of Labor, Bureau of Labor Statistics, web site at <http://stats.bls.gov/news.release/ecec.toc.htm>. Wage and salary rates are given in Employee Costs for Employee Compensation "Table 3. State and local government, by major occupation and industry group (September 2009)." The wage and salary rates from this table account for benefits provided to workers. When considering both technical and managerial hours, labor costs for State and Territorial agencies are estimated to be \$53,000 per year per respondent, and labor costs for local agencies are estimated to be \$34,000 per year per respondent for the emissions reporting requirements.

In estimating labor costs for industry, EPA used the following amounts: \$91.94 per hour for managers and \$63.74 per hour for technicians. These rates were used in the existing Acid

Rain Program (EPA ICR Number 1633.15) and are the consistent with the Current Employment Cost Index year 2009.

Federal Agency labor rates were assumed to be \$49.38 per hour. This labor rate was derived from the federal government's 2009 U.S. Office of Personnel Management General Schedule "Salary Table 2009-GS" (<http://opm.gov/oca/09tables/html/gs.asp>) using the factors in the following table. At the time of promulgation of a final Transport Rule and associated ICR, these labor rates will be updated accordingly.

**Table 6-2:
Determination of Federal Wage Rates**

Annual Salary of Technical Staff, GS 11 Step 3		\$52,846
Annual Cost of Supervisory Staff, GS 13, Step 3	\$75,323	
Factor (1/11)	0.09	
		\$6,779
Annual Cost of Support Staff, GS 6, Step 6	\$35,145	
Factor (1/8)	0.13	
		\$4,569
Annual Applicable Salary of Permit Staff		\$64,194
Benefits	1.6	
Total Cost per FTE		\$102,710
Total Hourly Cost (total per FTE dividend divided by 2,080 hours per year)		\$49.38

(ii) Estimating Capital and Operations and Maintenance Costs

Emission Reporting Requirements

Consistent with the CAIR ICR, EPA has concluded that the Capital and Operations and Maintenance Costs estimated under the CERR and the NO_x SIP Call are sufficient to accommodate the modest changes in reporting burden for the Transport Rule. Therefore, no further estimate of Capital and Operations and Maintenance Costs were made for this ICR.

Emission Trading Requirements

Capital/start-up costs include the cost of installing required CEMS or alternatives. Operation and maintenance costs (exclusive of labor costs) reflect ongoing costs to a unit and include both contractor costs for the required recertification, diagnostic, and quality assurance (QA) testing, and other direct maintenance-related expenses (e.g., spare parts and calibration gases). These cost estimates have been derived from EPA CEM cost models, existing ICRs,

Agency staff experience under the Acid Rain, CAIR, and NO_x SIP Call programs, and supplemental estimates provided by affected utilities and others related to the various cost items.

Acid Rain affected units in NO_x SIP Call states are not expected to incur any non-labor costs associated with this program. Based on the existing CAIR ICR, the total non-labor cost for capital/start-up items for Acid Rain units in other states that would be subject to the Transport Rule is estimated at \$4,000 per unit for previously CAIR affected units that are not in the NO_x SIP Call region (to account for a DAHS upgrade). For non-Acid Rain/CAIR Annual units in the NO_x SIP Call region, most units will require a DAHS upgrade, estimated at \$4,000 per unit and an SO₂ analyzer for \$42,525. For non-Acid Rain units not in the NO_x SIP Call region, the units using fuel flowmeters are expected to incur DAHS and SO₂ analyzer costs, while the other units will require some combination of a NO_x, diluent, SO₂ and/or flow CEMS. The costs for these units ranges from \$15,000 to \$192,000. The variance is due to the monitoring methodology used and what monitoring equipment may already be in place at the unit.

Note that testing contractor costs for certification, recertification and annual relative accuracy test audits (RATAs) are presented as other direct costs and are not converted to equivalent source labor hours. This approach is consistent with the common business practice for obtaining outside contractors to conduct certification/recertification tests and annual RATAs. For initial certification, the certification test costs are commonly bundled with equipment purchase contracts, according to information provided by a range of CEMS equipment vendors. For RATAs that are conducted either as part of the annual quality assurance requirements or as part of recertification, industry contacts have indicated that RATA testing is usually performed under a fixed price contract basis, except for travel costs that may be billed on an hourly basis beyond the basic contract cost.

The Agency also notes that this ICR does not include a cost for the purchase of monitoring equipment for all affected units. Many sources covered by the Transport Rule Trading Programs are already required to have CEMS under other regulatory programs. Therefore, to the extent that no new equipment is needed by these sources, capital costs are not included because those costs were included in the ICRs of those other programs. Thus, the capital and other costs included in Table 6-8 represent weighted average costs for each respondent, not the total individual cost for any particular respondent.

EPA has concluded that the Capital and Operations and Maintenance Costs estimated for the Agency under the ARP ICR are sufficient to accommodate the modest changes in reporting burden for the Transport Rule. Therefore, no further estimate of Capital and Operations and Maintenance Costs for the Agency were made for this ICR.

(iii) Capital/Start-up vs. Operating and Maintenance (O & M) Costs

Capital costs for emissions trading reflect one-time costs for purchase of equipment which will be used over a period of years. Conversely, operating and maintenance costs are those costs which are incurred on an annual or other scheduled basis. For instance, costs associated with quality assurance activities, such as spare parts or contractor costs for work, will be incurred on an annual basis.

(iv) Annualizing Capital Costs

The relevant capital costs for the emissions trading portion of this ICR were annualized at a rate of seven percent, (i.e., the annualized capital cost was calculated assuming money to purchase the capital equipment was borrowed at a seven percent annual interest rate). The cost of the loan was amortized over the life of the loan to repay original borrowed amount plus interest. The result is the annualized capital cost reported.) The annualized cost of the necessary capital purchases varies from \$2,304 to \$29,572, per year, per unit, depending on the type of monitoring methodology. Table 6-8 contains a breakdown of annual costs by monitoring methodology.

6.3 Estimating the Respondent Universe and Total Burden and Costs

Emission Reporting Requirements

The number of respondents is estimated to be 51 States (including DC), four Territories and 49 local agencies, resulting in 104 total respondents. Most of the activities detailed in Tables 6-5 and 6-6 apply to a subset of the 104 potential respondents. The total hourly burden for all respondents is estimated to be an increase of 163 hours per respondent per year from the approved ICRs for the CERR and the NO_x SIP Call. During the first three year period that the rule is in effect, the respondent costs should increase by \$6,644 per year. See table 6-7 for the total number of hours and costs estimated.

Emission Trading Requirements

The number of industry respondents varies depending on the activity in question. Activities such as Title V permit application or processing allowance transfers can involve nearly two thousand sources. The number of units which will be required to install a particular type of monitoring equipment will be less since many already have monitoring equipment especially if they are Acid Rain Program units or are in the NO_x SIP Call states. Table 6-7 gives estimates of State burden. These burdens include preparation of the SIP revision in response to the Transport Rule, activities associated with participating in an emissions trading programs, and reporting information to EPA under §51.123 and 124. Table 6-8 gives estimates of industry burden beginning with the first expected monitoring year, 2011. This burden includes monitoring, reporting and other activities involved in participating in an emissions trading program. The total number of respondents is estimated to be 1,256 facilities. Table 6-13 gives estimates of Agency burden associated with permitting and managing the emissions trading programs.

6.4 Bottom Line Burden Hours and Cost Tables

Emission Reporting Requirements

**Table 6-3:
Total Estimated Emissions Reporting Respondent Burden and Cost Summary**

	Number of Respondents	Total Hours Per Year (All Respondents)	Total Labor Costs Per Year (All Respondents)
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State Respondents	32	2,869	118,635
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Emission Trading Requirements

**Table 6-4:
Total Estimated Emissions Trading Respondent Burden and Cost Summary**

	Number of Respondents	Total Hours Per Year (All Respondents)	Total Costs Per Year (All Respondents)
State Respondents	32	14,080	\$572,288
Industry Respondents	1,256	182,979	\$27,632,819
Agency	1	7,244	\$356,474

6.5 Reasons for Change in Burden

Emission Reporting Requirements

The net change in emission reporting burden as compared with the approved ICRs for the CERR and NO_x SIP Call is an increase of 88 hours per respondent per year. The addition of GA, TX, KS, MN, NE, and OK to the NO_x SIP Call reporting requirements has added 50 hours; 69 hours were estimated to read the rule requirements.

Emission Trading Requirements

The largest burden associated with this rule is a result of the costs of monitoring, certifying, quality assuring and reporting emissions data from large electric generating units regulated under the Transport Rule. This burden is tempered, however, by the integration of these monitoring and reporting requirements with those already required under the Acid Rain, CAIR, and NO_x SIP Call trading programs. Otherwise, the burden would be significantly higher and the number of sources would be greater.

6.6 Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 23 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-2009-0491, 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 EPA Docket ID No. EPA-HQ-OAR-2009-0491 and OMB Control Number 2060-NEW in any correspondence.

**Table 6-5:
Emission Reporting Requirements - State Respondent Burden Hours by Activity**

Information Collection Activity	Hours Per Respondent		
	Managerial Hours	Technical Hours	Total
One-time			
Read the reporting requirements of the rule	1	1	2
Triennial			
Add AR, FL, GA, IA, KS, LA, MN, MS, NE, OK, TX, and WI to the NO _x SIP Call reporting requirements	1	24	25

**Table 6-6:
Emission Reporting Requirements - Activities Required by States Every Year During the Period 2011 through 2013**

Information Collection Activity	2011	2012	2013
One-time (Annualized)			
Read the reporting requirements of the rule	X		
Triennial			
Add AR, FL, GA, IA, KS, LA, MN, MS, NE, OK, TX, and WI	X		

to the NO _x SIP Call reporting requirements			
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**Table 6-7:
Annual State Respondent Burden and Cost by Activity**

Information Collection or Trading Rule Activity	Hours and Costs Per Respondent				Total Hours and Costs		
	Mgr. \$48.80/Hr ¹	Tech. \$39.83/Hr ¹	Respondent Hours/Yr	Labor Cost/Yr	Number of Respondents	Total Hours/Yr ²	Total Cost/Yr ³
One-time (Annualized)							
Read the reporting requirements of the rule	0.33	0.33	0.66	29.24	104	69	3,041
Revise SIP if necessary	50	250	300	12,397.50	9	2,700	111,578
Annual							
Trading Program related (monitoring certifications, audits)	40	400	440	17,884.00	32	14,080	572,288
Triennial							
Add AR, FL, GA, IA, KS, LA, MN, MS, NE, OK, TX, and WI to the NO _x SIP Call reporting requirements	0.33	8	8.33	334.74	12	100	4,017
Total	91	658	749	30,645.48	104	16,949	690,923

¹ See Section 6.2 (i) for labor and overhead rates.

² Hours per year are rounded to the nearest hour.

³ Costs per year are rounded to the nearest dollar.

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years**

				Respondent Labor Cost/Year 2011	Annual Capital				
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011	Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
Permit to Construct (units)	20	20	40	\$3113.60			7	280	\$21,796
Certificate of Representation	0.5	0.5	1	\$77.84			1256	1256	\$97,768
Startup/Capital Items									
Kansas, Minnesota, Nebraska, Oklahoma (Previously Not Affected)									
a. DAHS modification (facilities)	2	4	6	\$438.84	\$1,333.00		35	200	\$62,015
b. Solid Fuel: SO ₂ , NO _x , and Flow CEMS (units)	34	23	57	\$4,591.98	\$29,752		7	399	\$242,928
c. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	64	10	74	\$6,251.56	\$19,200		17	1258	\$432,677
d. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	20	10	30	\$2,476.20	\$2,304		29	870	\$138,626

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Startup/Capital Items (cont.)									
Connecticut and Massachusetts (Previously Ozone Only) Note: NO_x Monitoring Burden/Costs Covered by NO_x Sip Call ICR									
a. DAHS modification (facilities)	2	4	6	\$438.84	\$600.00		33	198	\$34,282
b. Solid Fuel: SO ₂ , and Flow CEMS (units)	18	10	28	\$2,292.32	\$22,000		4	112	\$97,170
c. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	32	5	37	\$3,260.78	\$10,000		13	481	\$172,391
d. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	10	5	15	\$1,238.10	\$1,200		49	735	\$119,467

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Startup/Capital Items (cont.)									
Georgia, Iowa, Missouri, and Wisconsin (Ozone Status Changes, Annual Status Remains)									
a. DAHS modification (facilities)	2	4	6	\$438.84	\$600.00		44	264	\$45,709
b. Solid Fuel: NO _x and Flow CEMS (units)	0	0	0	\$0	\$29,752		0	0	\$0
c. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	0	0	0	\$0	\$19,200		6	0	\$115,200
d. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	0	0	0	\$0	\$2,304		127	0	\$292,608

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Startup/Capital Items (cont.)									
Mississippi and Texas (Now Ozone Season Only)									
a. DAHS modification (facilities)	2	4	6	\$438.84	\$600.00		18	108	\$18,700
b. Solid Fuel: NO _x and Flow CEMS (units)	0	0	0	\$0	\$22,500		0	0	\$0
c. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	0	0	0	\$0	\$19,200		15	0	\$288,000
d. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	0	0	0	\$0	\$2,304		55	0	\$126,720
States with No Change in Classification									
a. Solid Fuel: NO _x and Flow CEMS (units)	0	0	0	\$0	\$29,752		88	0	\$2,602,336
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	0	0	0	\$0	\$19,200		86	0	\$1,651,200
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	0	0	0	\$0	\$2,304		529	0	\$1,218,816

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Review Instructions and Requirements									
States with No Change in Classification	4	4	8	\$622.72			195	1560	\$121,431
States in which Ozone Status Changes, Annual Status Remains	4	4	8	\$622.72			44	352	\$27,400
States No Longer Ozone Only - Connecticut and Massachusetts	4	4	8	\$622.72			33	264	\$20,550
States now Ozone Only Texas and Mississippi	4	4	8	\$622.72			19	152	\$11,832
Previously Not Affected States - Kansas, Minnesota, Nebraska, Oklahoma	8	8	16	\$1245.44			35	560	\$43,591

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Respond to EPA Generated Error Messages									
States with No Change in Classification	6	18	24	\$1,698,96			195	4680	\$331,298
States in which Ozone Status Changes, Annual Status Remains	6	18	24	\$1,698.96			44	1056	\$74,755
States No Longer Ozone Only - Connecticut and Massachusetts	6	18	24	\$1,698.96			33	792	\$56,066
States now Ozone Only Texas and Mississippi	6	18	24	\$1,698.96			19	456	\$32,281
Previously Not Affected States - Kansas, Minnesota, Nebraska, Oklahoma	6	18	24	\$1,698.96			35	840	\$59,464
Debug Computer Software									
States with No Change in Classification	1	4	5	\$346.90			195	975	\$67,646
States in which Ozone Status Changes, Annual Status Remains	1	4	5	\$346.90			44	220	\$15,264

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Debug Computer Software (cont.)									
States No Longer Ozone Only - Connecticut and Massachusetts	1	4	5	\$346.90			33	165	\$11,448
States now Ozone Only Texas and Mississippi	1	4	5	\$346.90			19	95	\$6,592
Previously Not Affected States - Kansas, Minnesota, Nebraska, Oklahoma	16	88	104	\$7,080.16			35	3640	\$247,806
Certify Monitors									
Kansas, Minnesota, Nebraska, Oklahoma (Previously Not Affected)									
a. Solid Fuel: SO ₂ , NO _x , and Flow CEMS (units)	15	48	63	\$4,438.62		\$2,800	1	63	\$7,239
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	10	32	42	\$2,959.08		\$2,800	1	42	\$5,760
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	8	24	32	\$2,265.28		\$10,000	5	160	\$61,327

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Certify Monitors (cont.)									
Connecticut and Massachusetts (Previously Ozone Only)									
a. Solid Fuel: SO ₂ , NO _x , and Flow CEMS (units)	15	48	63	\$4,438.62		\$2,800	0	0	\$0
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	10	32	42	\$2,959.08		\$2,800	1	42	\$5,760
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	8	24	32	\$2,265.28		\$10,000	5	160	\$61,327
Georgia, Iowa, Missouri, and Wisconsin (Ozone Status Changes, Annual Status Remains)									
a. Solid Fuel: SO ₂ , NO _x , and Flow CEMS (units)	15	48	63	\$4,438.62		\$2,800	0	0	\$0
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	10	32	42	\$2,959.08		\$2,800	1	42	\$5,760
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	8	24	32	\$2,265.28		\$10,000	12	384	\$147,184

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Certify Monitors (cont.)									
Mississippi and Texas (Now Ozone Season Only)									
a. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	10	32	42	\$2,959.08		\$2,800	2	84	\$11,520
b. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	8	24	32	\$2,265.28		\$10,000	6	192	\$73,592
States With No Change in Classification									
a. Solid Fuel: NO _x , and Flow CEMS (units)	15	48	63	\$4,438.62		\$2,800	9	567	\$65,148
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	10	32	42	\$2,959.08		\$2,800	9	378	\$51,832
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	8	24	32	\$2,265.28		\$10,000	50	1600	\$613,264

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Perform QA Testing and Maintenance									
Kansas, Minnesota, Nebraska, Oklahoma (Previously Not Affected)									
a. Solid Fuel: SO ₂ , NO _x , and Flow CEMS (units)	50	600	650	\$42,841.00		\$31,949	7	4550	\$523,530
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	20	375	395	\$25,741.30		\$17,818	8	3160	\$348,475
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	5	30	35	\$2,371.90		\$1,843	50	1750	\$210,745
Connecticut and Massachusetts (Previously Ozone Only)									
a. Solid Fuel: NO _x , and Flow CEMS (units)	40	400	440	\$29,173.60		\$31,949	4	1760	\$244,491
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	20	375	395	\$25,741.30		\$17,818	13	5135	\$566,271
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	5	30	35	\$2,371.90		\$1,843	49	1715	\$206,531

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Perform QA Testing and Maintenance (cont.)									
Georgia, Iowa, Missouri, and Wisconsin (Ozone Status Changes, Annual Status Remains)									
a. Solid Fuel: NO _x and Flow CEMS (units)	40	400	440	\$29,173.60		\$31,949	0	0	\$0
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	20	375	395	\$25,741.30		\$17,818	6	2370	\$261,356
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	5	30	35	\$2,371.90		\$1,843	127	4445	\$535,293
Mississippi and Texas (Now Ozone Season Only)									
a. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	20	375	395	\$2,959.08		\$17,818	15	5925	\$311,656
b. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	5	30	35	\$2,265.28		\$2,209	55	1925	\$246,086

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Perform QA Testing and Maintenance (cont.)									
States With No Change in Classification									
a. Solid Fuel: NO _x and Flow CEMS (units)	40	400	440	\$29,173.60		\$31,949	88	38,720	\$5,378,789
b. Gas-Oil: NO _x CEMS and Appendix D fuel monitoring (units)	20	375	395	\$25,741.30		\$17,818	86	33,970	\$3,746,100
c. Gas-Oil Peaking Units: Appendix D fuel sampling, Appendix E, or LME methods (units)	5	30	35	\$2,371.90		\$1,843	529	18,515	\$2,229,683

(cont.)

**Table 6-8:
Annual Industry Respondent Burden and Cost by Activity, 2011 and Subsequent Years (cont.)**

				Respondent Labor Cost/Year 2011	Annual Capital		Number of Respondents 2011	Total Hours/Year 2011	Total Cost/Year 2011
	Manager \$91.94 Per Hour (2009)	Technical \$63.74 Per Hour (2009)	Respondent Hours/Year 2011		Startup Costs 2011	O&M Cost 2011			
Assure Data Quality, Prepare Reports, Submit Reports									
States with No Change in Classification	16	42	58	\$4,148.12			195	11,310	\$808,884
States in which Ozone Status Changes, Annual Status Remains	16	42	58	\$4,148.12			44	2,552	\$182,518
States No Longer Ozone Only - Connecticut and Massachusetts	16	42	58	\$4,148.12			33	1,914	\$136,887
States now Ozone Only Texas and Mississippi	8	21	29	\$2,074.06			19	551	\$39,408
Previously Not Affected States - Kansas, Minnesota, Nebraska, Oklahoma	16	42	58	\$4,148.12			35	2,030	\$145,185
Allowance Transfers	1	1	2	\$155.68			7,500	15,000	\$1,167,600
TOTAL								182,979	\$27,632,819

**Table 6-9:
 Agency Burden – Permitting Authority**

Information Collection Activity	Burden Hours per Occurrence	Cost per Source ¹	Total Burden (Hours)	Total Cost
EPA reviews certificates of representation and records information. ²	0.5	\$24.69	628	\$31,010
Review permit application, and issue draft, proposed, and final permit. ³				
Permitting Authority action.	8	\$395.04	2,000	\$98,760
EPA review.	1	\$49.38	250	\$12,345
Receive and process retired and new unit exemptions. ⁴				
Permitting Authority action.	2	\$98.76	132	\$6,518
EPA review.	0.3	\$14.81	20	\$988
TOTAL			3,030	\$149,621

1. 2009 dollars.
2. Assumes 1256 sources submit a certificate of representation.
3. Assumes 250 sources (approximately 20% of all affected sources) will submit a permit application each year.
4. Assumes 33 retired and 33 new unit exemptions are submitted each year.

**Table 6-10:
 Agency Burden – Emissions Reporting**

Information Collection Activity	Quarterly Burden Hours per Report	Quarterly Cost per Report ¹	Number of Reports ²	Total Burden per Year (Hours)	Total Cost
Process, review, and evaluate quarterly report and issue feedback letter.	1	\$49.38	3,924	3,924	\$193,767

1. Based on an average total compensation rate of \$49.38 per hour.
2. Assumes 327 Transport Rule only emissions data reports are submitted each quarter.

**Table 6-11:
 Agency Burden - Allowance Allocations**

Information Collection Activity	Total Burden (Hours)	Total Cost
Initial and annual allocation of allowances to existing and new units.	200	\$9,876

**Table 6-12:
 Agency Burden – Allowance Transfer & Deduction Burden**

Information Collection Activity	Burden Hours per Occurrence	Cost per Occurrence ¹	Total Burden ² (Hours)	Total Cost
Review allowance transfer information, record transfer, and notify transfer participants.	1	\$49.38	40	\$1,975
Enter deduction data and deduct allowances.	0.5	\$24.69	50	\$1,235
TOTAL			90	\$3,210

1. 2009 dollars.
2. Assumes 20 transfers and 100 optional deduction forms are submitted annually.

**Table 6-13:
 Agency Burden – Aggregate**

Information Collection Activity	Total Burden (Hours)	Total Cost ¹
Annual Allocation of Allowances to existing and new units.	200	\$9,876
Allowance transfers and deductions.	90	\$3,210
Permits.		
Permitting Authority.	2,132	\$105,278
EPA.	898	\$44,343
Emissions reporting.	3,924	\$193,767
TOTAL	7,244	\$356,474

1. 2009 dollars.