

## **Revisions to the Economic Impacts and Burden Estimates for the Rule Titled: Review of New Sources and Modifications in Indian Country**

This addendum summarizes the revised qualitative assessment of the economic and burden impacts of the rule titled: Review of New Sources and Modifications in Indian Country. Burden and costs estimates have changed from those estimated under the previous versions of the Economic Impact Analysis (EIA) and the Supporting Statement (SS) for this rule due to a change in policy before the rule was finalized.

At the time the original EIA and SS were written, we planned to delay the applicability date of the rule for true minor sources that might be subject to the minor NSR program for a period of 18 months from the rule's effective date (60 days after the final rule is published). However, to address commenters concerns about EPA's ability to implement this NSR permitting program in a timely manner and to provide additional time for EPA Regions to prepare for their duties as the Federal permitting authority, including the development of additional permitting tools, we have extended the applicability date of the rule for true minor sources for an additional 18 months for a total applicability delay of 36 months from the effective date of the final rule. In addition, sources eligible to seek coverage under a general permit will be subject to that general permit 4 months after the general permit is effective (6 months after the general permit is published) unless the source opts to apply for a site-specific permit at the time the source had to apply for that general permit.

Therefore and based on these revisions, we are reducing the permitting burden and cost for both the regulated community and the agency. Under the revised provisions, no permits will be required for new and modified true minor sources during the initial 36 months after the effective date of the rule, unless a general permit is available before the 36 month applicability date for the source category for which the source owner is seeking a permit. Sources will still be required to register, as in the previous version of the rule, within the first 18 months after the minor NSR rule effective date or 90 days after the source begins operation, whichever is later.

### **Reduction in Economic Impacts Based on Rule Revisions**

In the EIA, we present a range of estimated costs and impacts for the first 3 years after the effective date of the rule. The "Lower Bound" costs in the EIA only include Monitoring, Recordkeeping and Reporting (MRR) costs, computed under the conservative assumption that all facilities choose source-specific permitting (cost and burden for the development and implementation of general permits is unknown at this time). Under the "Upper Bound" cost estimates some facilities are assumed to be subject to BACT.

Previously, Lower Bound costs, which are based only on MRR costs, were estimated for the first three years after the effective date of the rule to total \$22.9 million across all source categories. Under the revised provisions, costs for this initial three-year period would total \$2.7 million. The \$20.2 million reduction in costs over the initial three-year period is wholly owed to reduction in permitting burden for new and modified true minor sources during the second 18-month interval of the current 36-month applicability delay after the effective date of the rule.

Furthermore, previous Upper Bound costs during the first 3 years after the effective date of the rule, which include compliance costs for BACT controls for some facilities in addition to MRR costs, were estimated in the EIA to total \$24.2 million. Under the revisions, the Upper Bound

cost is \$2.9 million. This reduction of \$21.3 million is also wholly due to the reduction in permitting burden for new and modified true minor sources during the second 18-month interval of the current 36-month applicability delay after the effective date of the rule.

### **Burden Estimates in Supporting Statement**

**Estimated Reduction in Burden for Affected Sources.** As explained previously, no permits will be required for new and modified true minor sources during the initial 36 months after the effective date of the rule, unless a general permit is available before the 36 month applicability date for the source category for which the source owner is seeking a permit. Sources will still be required to register, as in the previous version of the rule, within the first 18 months after the minor NSR rule effective date or 90 days after the source begins operation, whichever is later.

The associated estimated hour and cost burden to industry are shown in Table 1 (Capital and One-Time Cost Burden) and Table 2 (Total Annual Burden) below. We estimate that the level of effort and cost to register under the rule and to apply for coverage under a general permit is similar. Therefore, the overall burden for all affected sources is projected to decrease from \$22.8 million to \$2.7 million, a reduction of \$20.1 million and about 1.8 million hours. The burden associated with affected true minor sources is projected to decrease from \$20.4 million to \$0.3 million. The burden for new true minor sources is projected to decrease from \$18.1 million to \$0.2 million. The burden for modified true minor sources is projected to decrease from \$2.3 million to about \$30 thousand.

The overall hours burden for all affected sources is projected to decrease from 2.1 million hours to 0.2 million hours, a reduction of 1.8 million hours. New true minor sources account for 1.6 million of the reduction and modified true minor sources account for the remaining 0.2 million hours.

**Estimated Reduction in Agency Burden:** Similarly, the administrative burden to the Agency, shown in Table 3 below, is projected to be lower under the revised provisions. Assuming all new and modified true minor sources are required to either register or apply for coverage under a general permit during the first 36 months following the rule's effective date, the Agency overall burden is projected to decrease from \$17.1 million to \$6.9 million, a reduction of \$10.2 million. In terms of hours, the Agency burden falls from 162,470 hours to 76,550 hours, a reduction of approximately 85,900 hours. This decrease is wholly owed to not requiring sources to seek site-specific permits for true minor sources during the second 18-month interval of the current 36-month applicability delay after the effective date of the rule. The burden associated with true minor sources is projected to decrease from \$11.0 million to \$0.8 million, a reduction of \$10.2 million.

These estimates, however, do not include the Agency cost burden for development and implementation of new general permits as those costs are unknown at this time.

**Table 1. Estimated Total Capital Cost Burden to Industry to Implement Reporting and Recordkeeping Requirements during the First Three Years.**

Affected Source Type <sup>a</sup>	Number of Affected Sources (First Three Years)	Average Total Capital Cost per Source <sup>b</sup>	Average Non-Labor Capital Cost per Source	Total Non-Labor Capital Costs	Total Costs
<b>New Minor Sources (First 36 Months)</b>	3,804	\$433	\$25	\$95,100	\$1,647,132
<b>Modifications to Minor Sources (First 36 Months)</b>	492	\$433	\$25	\$12,300	\$213,036
<b>Existing Synthetic Minor Sources</b>	79	\$4,341	\$31	\$2,449	\$342,939
<b>Existing True Minor Sources</b>	32,891	\$433	\$25	\$822,275	\$14,241,803
<b>New Major Sources in Nonattainment Areas</b>	3	\$17,138	\$1,185	\$3,555	\$51,414
<b>Major Modifications to Major Sources in Nonattainment Areas</b>	0	\$17,138	\$1,185	\$0	\$0
<b>Minor Modifications to Major Sources (all areas)</b>	6	\$13,290	\$1,340	\$8,040	\$79,740
<b>New Synthetic Minor Sources</b>	24	\$13,290	\$1,340	\$32,160	\$318,960
<b>Totals</b>	<b>37,299</b>			<b>\$975,879</b>	<b>\$16,895,024</b>

<sup>a</sup> New minor sources and modifications to minor sources in the first 36 months following the effective date of the rule are subject to one-time registration only unless a general permit becomes available for the source category. Capital costs and cost of one-time activities to register or apply for coverage under a general permit are estimated to be \$433. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$62.

<sup>b</sup> Existing synthetic minor sources will be required to obtain a new permit. The capital costs and cost of one-time activities per source is estimated to be \$4,341. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$618.

The capital costs and cost of one-time activities (i.e., the sum of all one-time costs shown in Attachment 1) are \$13,290 for minor modifications at major sources or new synthetic minor sources. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$1,892.

The capital costs and cost of one-time activities for new major sources in nonattainment areas and major modifications to major sources in nonattainment areas are \$17,138.

Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$2,440.

These values include the non-labor capital costs (\$25, \$31, \$1,340 or \$1,185), shown above.

**Table 2. Estimated Total Annual Cost Burden to Industry to Implement Reporting and Recordkeeping Requirements During the First Three Years.**

Affected Source Type	Number of Affected Sources	Total Hours per Source	Total Hours (All Sources, Three Years) <sup>a</sup>	Annualized Non-Labor Cost per Source	Total Cost per Source <sup>b,c</sup>	Total Annualized Non-Labor Capital Costs	Total Costs
<b>New Minor Sources (First 36 Months)</b>	3,804	5	19,020	\$4	\$62	\$15,216	\$235,848
<b>Modifications to Minor Sources (First 36 Months)</b>	492	5	2,460	\$4	\$62	\$1,968	\$30,504
<b>New Major Sources in Nonattainment Areas</b>	3	286	2,574	\$169	\$9,983	\$507	\$29,949
<b>Existing Synthetic Minor Sources</b>	79	65	5,135	\$4	\$618	\$316	\$48,822
<b>Existing True Minor Sources</b>	32,891	5	164,455	\$4	\$62	\$131,564	\$2,039,242
<b>Major Modifications to Major Sources in Nonattainment Areas</b>	0	286	0	\$169	\$9,983	\$0	\$0
<b>Minor Modifications to Major Sources</b>	6	286	5,148	\$191	\$9,435	\$1,146	\$56,610
<b>New Synthetic Minor Sources</b>	24	286	20,592	\$191	\$9,435	\$4,584	\$226,440
<b>Totals</b>	<b>37,299</b>		<b>219,384</b>			<b>\$155,301</b>	<b>\$2,667,415</b>

Notes:

<sup>a</sup> Sources only subject to one-time registration or permitting costs (new minor sources during the first 36 months, modifications to minor sources during the first 36 months, existing minor sources, and existing synthetic minor sources) are only attributed hours for 1 year. For the remaining affected sources, hours per year were multiplied by 3 years.

<sup>b</sup> Sum of total reoccurring costs from Attachment 1 and the annualized non-labor cost (see note c).

<sup>c</sup> The associated non-labor capital costs for one-time and reoccurring activities for new and modified minor sources is \$433. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$62. The associated non-labor capital costs for one-time and reoccurring activities for new synthetic minor sources and minor modifications to major sources is \$1,340. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$191. The associated non-labor capital costs for one-time and reoccurring activities for new major sources in nonattainment areas and major modifications to major sources in nonattainment areas is \$1,185. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$169.

**Table 3. Estimated Recurrent Burden and Cost to the Agency to Implement Reporting and Recordkeeping Requirements during the First Three Years<sup>a</sup>**

Affected Source Type	Number of Affected Sources (First Three Years)	Average Total Hours per Source	Total Hours per Year	Average Cost per Source	Total Annual Costs
<b>New Minor Sources (First 36 Months)</b>	3,804	2	7,608	\$180	<b>\$684,720</b>
<b>Modifications to Minor Sources (First 36 Months)</b>	492	2	984	\$180	<b>\$88,560</b>
<b>Existing Synthetic Minor sources</b>	79	10	790	\$693	<b>\$54,747</b>
<b>Existing true minor Sources</b>	32,891	2	65,782	\$180	<b>\$5,920,380</b>
<b>New Major Sources in Nonattainment Areas</b>	3	42	126	\$4,932	<b>\$14,796</b>
<b>Major Modifications to Major Sources in Nonattainment Areas</b>	0	42	0	\$4,932	<b>\$0</b>
<b>Minor Modifications to Major Sources</b>	6	42	252	\$4,932	<b>\$29,592</b>
<b>Synthetic Minor Sources</b>	24	42	1,008	\$4,932	<b>\$118,368</b>
<b>Totals</b>	<b>37,299</b>		<b>76,550</b>		<b>\$6,911,163</b>

Notes:

<sup>a</sup> The average total annualized cost to the agency per affected source given in Attachment 2, including the cost of labor, capital, operation, and maintenance, is \$4932 for new/modified major sources and new synthetic minor sources, \$693 for existing synthetic minor sources, and \$180 for new, modified, and existing true minor sources.

**Supporting Statement for the  
Review of New Sources and Modifications in Indian Country Rule**

Prepared by

Office of Air Quality Planning and Standards

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## PART A OF THE SUPPORTING STATEMENT

### 1. Identification of the Information Collection

(a) *Title of the Information Collection.*

Review of New Sources and Modifications in Indian Country rule. The tracking number is EPA ICR number 1230.27 (Final rule).

(b) *Short Characterization/Abstract.*

The final action will establish nationally applicable regulations to implement a permitting program in Indian country, which will regulate the construction and modification of stationary sources of air pollution and allow certain new and existing stationary sources to voluntarily accept federally enforceable emission limits in order to avoid major source regulations. With this action, the U.S. Environmental Protection Agency (EPA) is finalizing regulations to regulate new and modified minor stationary sources and minor modifications at existing major sources in Indian country and also to regulate new major sources and major modifications in portions of Indian country that are not in attainment of the National Ambient Air Quality Standards (NAAQS), i.e., nonattainment areas. These rules will be implemented by EPA, or a delegate tribal agency assisting EPA with administration of the rules, until replaced by an EPA-approved implementation plan for an area of Indian country.

Potential respondents are owners or operators of all new and modified minor stationary sources and major sources with minor modifications in Indian country, and new major stationary sources and major modifications at such sources located in nonattainment areas in Indian country. Although existing minor stationary sources will not be regulated under this rule, existing true minor sources will be required to register, and most existing synthetic minor sources will need a new permit.

The minor-source regulations set forth the procedures and terms under which the Administrator will issue new source review (NSR) construction permits for stationary sources of air pollution in Indian country, pursuant to section 110 (a)(2)(C) of the Clean Air Act as amended in 1990 (CAA). These regulations will apply to all new and modified minor stationary sources and minor modifications at major sources in Indian country. All respondents to the federal minor NSR rule will be required to obtain an NSR construction permit. Respondents will be required to use any control technology determined to be appropriate by the reviewing authority on a case-by-case basis to meet the air quality needs for that area.

Respondents will maintain records of specific information to ensure that the rule requirements are being achieved and maintained. These requirements are listed in Attachment 1.

## 2. Need For and Use of the Collection

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

EPA is authorized to protect air quality by directly implementing provisions of the CAA throughout Indian country. In the preamble to the CAA Tribal Authority Rule, EPA stated the intention to draft nationally applicable regulations to implement a permitting program in Indian country that will regulate construction and modification of stationary sources of air pollution (63 FR 7254, February 12, 1998).

Certain records and reports are necessary for EPA or the tribal agency (with delegation of the program or EPA-approved Tribal Implementation Plan), for example, to (1) identify any stationary sources not subject to the NSR standards, identify new or modified major and minor sources in Indian country subject to the rules, and confirm the compliance status of major and minor sources in Indian country subject to the rules; and (2) ensure that the major and minor source-control requirements are being achieved.

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

The information will be used by EPA or tribal enforcement personnel to (1) identify major and minor sources, new or modified, subject to the rules; (2) ensure that any control technology (established on a case-by-case basis) is being properly applied; and (3) ensure that the emission-control devices are being properly operated and maintained on a continuous basis.

## 3. Nonduplication, Consultations, and Other Collection Criteria

### (a) *Nonduplication.*

A search of EPA's existing regulations and standards and on-going ICRs revealed no duplication of information-gathering efforts. However, should certain reports required by tribal, state, or local agencies duplicate information required by the ***Review of New Sources and Modifications in Indian Country*** rule ICR number 1230.27, a copy of the report submitted to the tribal, state, or local agency can be provided to the Administrator in lieu of the report required by the rule.

### (b) *Public Notice Required Prior to ICR Submission to the Office of Management and Budget (OMB).*

The preamble to the final rule will give public notice of this ICR.

### (c) *Consultations.*

In undertaking this rulemaking effort, EPA wanted to ensure that the tribes were included in the rulemaking process from the beginning of the rule development effort. To that end, on June 24, 2002, EPA sent letters to tribal leaders seeking their input on how we could best consult with the tribes on the rulemaking effort. We received responses from 75 tribes. Of these 75 tribes, 69 designated an environmental staff member to work with us on developing the rules. Aside from the designated staff, many tribal leaders asked that we keep them informed of our progress through e-mail, meetings with the EPA Regional Offices, newsletters, and Web sites. However, 53 percent of the tribal leaders also requested direct phone calls or conference calls to discuss the subject. Only 16 percent of



the respondents requested face-to-face consultation. Of these, only six tribes requested that senior EPA staff meet with tribal leaders.

As a result of this feedback, we developed a consultation plan that included three meetings held at the reservations of the Menominee Tribe in Wisconsin, the Mohegan Tribe in Connecticut, and the Chehalis Tribe in Washington. A fourth meeting was held in conjunction with the Institute of Tribal Environmental Professionals' (ITEP) 10<sup>th</sup> anniversary meeting in Flagstaff, Arizona. In addition to conducting these meetings, we also visited tribal environmental staff in Indian country. Over 30 tribes attended these meetings. As part of our outreach efforts to the tribes, we participated in numerous national and regional forums, including the National Tribal Forums sponsored by the ITEP, two National Tribal Air Association meetings, and meetings with tribal consortia, such as the National Tribal Environmental Council, United Southern and Eastern Tribes, Inter-Tribal Environmental Council, Inter Tribal Council of Arizona, and others.

Although much of our effort focused on outreach to the tribes, we also interacted with state and local air pollution control agencies during development of this rule. We had two meetings with the State and Territorial Air Pollution Program Administrators and the Association of Local Air Pollution Control Officers (STAPPA/ALAPCO) to present the draft rules.<sup>1</sup> After receiving all stakeholders' feedback, we incorporated it to our rulemaking process to the extent possible and proposed the "Review of New Sources and Modifications in Indian Country" rules on August 21, 2006 (71 FR 48696). However, tribal government representatives expressed concerns that the long gap between consultation and action by EPA undermined the effectiveness of these interactions.

Thus, after the rules proposal, we started an extensive outreach period in the years 2006 and 2007 to inform and seek comments from the public, especially tribes. We sent more than 500 letters to tribal leaders to inform them about the proposal. We did not receive any formal responses to these letters and did not receive any request for formal consultation from the tribes, but they contacted us either through e-mail or phone calls and asked us to keep them informed of our progress through e-mail, meetings, trainings, newsletters, and/or Web sites. To enhance understanding of the proposal and what it would mean for reservations, we supplemented the 2006 outreach efforts by holding four trainings using Web conferencing, not only for tribes but also for EPA regional offices, air program managers, and Tribal organizations. We also held trainings in 2006 and, at the request of the tribes, for interested Tribal and other environmental professionals at the Pechanga Band of Luiseño Indians in California and Salt River Pima-Maricopa Indian Community in Arizona. In addition, we held trainings for all interested parties at Region 5's Tribal Air Meeting in Illinois (2006) and EPA's Region 10 office in Washington (2007).

We participated in numerous national and regional forums, including the Institute of Tribal Environmental Professionals, National Tribal Air Association, and meetings with tribal consortia, such as the United Southern and Eastern Tribes. We also interacted with state and local air pollution agencies during this outreach period and had meetings with the National Association of Clean Air Agencies.

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<sup>1</sup> STAPPA/ALAPCO is currently known as the National Association of Clean Air Agencies (NACAA)

Furthermore, we extended and reopened the comment period for the proposed rules twice (from November 20, 2006, to January 19, 2007, and from January 19, 2007, to March 20, 2007) at the request of the tribes. During this time, we also recorded and presented a Web cast video for all interested stakeholders to train more environmental professionals about the NSR program and the rules themselves.

Now that these rules have been finalized, we intend to conduct similar outreach efforts with all stakeholders, including conducting extensive training about what the rules are and how they can be implemented.

(d) *Effects of Less Frequent Collection.*

If results were collected less frequently, there would be little assurance that each source was in continuous compliance with the NSR requirements. Also, EPA's authority to take administrative action would be reduced.

(e) *General Guidelines.*

None of the recordkeeping or reporting requirements contained in the **Review of New Sources and Modifications in Indian Country** rule, 40 CFR Parts 49 and 51, or otherwise pertinent to this request, violate any of the regulations established by OMB in 5 CFR 1320.6.

(f) *Confidentiality.*

Confidential business information will be handled using Agency guidelines on confidentiality, set forth in Title 40 Chapter 1, Part 2 Subpart B - Confidentiality of Business Information (see 40 CFR Part 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

(g) *Sensitive Questions.*

Information to be reported consists of emissions data and other information that is not of a sensitive nature. No sensitive personal or proprietary data are being collected.

#### **4. The Respondents and the Information Requested**

(a) *Respondents' NAICS Codes.*

Potential respondents are (1) owners or operators of all new minor stationary sources and all existing sources that propose minor modifications in Indian country, and (2) those new major stationary sources and major sources that propose modifications located in portions of Indian country that are in nonattainment areas. It is estimated that 3,803 new true minor sources of varying types will be subject to the rule requirements during the first 3 years following promulgation of the rule. The North American Industry Classification System (NAICS) codes for these various minor source types are included in the economic impact analysis cost tables. Fifty-five new major sources are estimated to be built in Indian country during the first 3 years following promulgation of the rule. Based on our knowledge of major sources in Indian country, EPA expects that 5 percent of new major sources (three sources) will locate in a nonattainment area in Indian country during this period.

Entities potentially affected by this proposed action include sources in all industry groups. The majority of sources potentially affected (i.e., those expected to be affected in the first 3 years following promulgation) are in the following groups.

NAICS	Sector Description
311119	Animal food manufacturing
324121	Asphalt hot mix
811121	Auto body refinishing
3116	Beef cattle complex, slaughter house, and meat-packing plant
331511	Casting foundry (iron)
3251	Chemical preparation
32711	Clay and ceramics operations (kilns)
327320	Concrete batching plant
211111	Crude petroleum and natural gas extraction
22111	Electric power generation
3329	Fabricated metal products
3323	Fabricated structural metal
3279	Fiber glass operations
424710	Gasoline bulk plant
4471	Gasoline station (storage tanks, refueling)
424510	Grain elevator
33311	Machinery manufacturing
32191	Millwork (wood products manufacturing)
221210 <sup>a</sup>	Natural gas-distribution systems
211112	Natural gas liquid extraction (major source)
21111	Oil and gas production/operations (minor Oil & Gas)
72112 <sup>b</sup>	Other (natural gas-fired boilers)
323110	Printing operations (lithographic)
54171 <sup>c</sup>	Professional, scientific, and technical services
212321	Sand and gravel mining
238990	Sand- and shot-blasting operations
321113	Sawmills (minor source)
321113	Sawmills (major source)
221320	Sewage treatment facilities
321212	Softwood veneer and plywood manufacturing
562212	Solid waste landfill
332812	Surface coating operations
337110	Wood kitchen cabinet manufacturing

<sup>a</sup> All natural gas pipeline facilities, including some previously catalogued under NAICS 486210, are now included under NAICS 221210.

<sup>b</sup> NAICS associated with “other” facilities is that for casino-hotels, which was the most frequently mentioned type of “other” facility. Costs were assigned to this sector based on natural gas–fired boilers.

<sup>c</sup> Costs assigned to this sector based on natural gas–fired boilers.

Entities potentially affected by this proposed action also will include Tribal governments that are delegated administrative authority to implement these federal regulations.

(b) *Information Requested.*

(i) *Data items, including recordkeeping requirements.*

All data in this ICR that are recorded and/or reported as required by the ***Review of New Sources and Modifications in Indian Country*** rule are identified in Attachment 1 and characterized in Section 6. The rule also requires 5 years of record retention.

(ii) *Respondent activities.*

The respondent activities required by the ***Review of New Sources and Modifications in Indian Country*** rule are identified in Attachment 1 and characterized in Section 7. These include preparation and planning activities, submittal of a permit application, and various reporting activities.

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

(a) *Agency Activities.*

A list of EPA activities is provided in Attachment 2 and introduced in Section 5(c).

(b) *Collection Methodology and Management.*

It is expected that this information collection (i.e., all permit applications, reports, and facility registration) will involve hard-copy submittals by the respondents, although electronic filing is an option. Data and records maintained by the respondents are tabulated and used in compliance and enforcement programs. The records required by this regulation must be retained by the owner or operator for 5 years.

(c) *Small Entity Flexibility.*

The recordkeeping and reporting burden is the same for all entities, regardless of size. The requirements are viewed by the Agency as the minimum needed to ensure compliance and cannot be reduced further for small entities.

(d) *Collection Schedule.*

Data collection will begin after the effective date of the rule. The average total agency burden per affected source, provided in Attachment 2, is 42 hours. The schedule for reports required by the regulations is detailed below.

(i) All stationary sources that are subject to the rule must obtain an NSR permit before they begin actual construction.

(ii) Annual submittal of reports of any required monitoring, including the type and frequency of monitoring and a summary of results obtained by monitoring.

(iii) Prompt reporting of deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Within a permit, the Administrator shall define “prompt” in relation to the degree and type of deviation likely to occur and the applicable emission limitations.

## 6. Estimating the Burden and Cost of the Collection

This section presents the estimated burden to each new and modified affected source type. It also presents a breakdown of estimated costs, both per facility and nationwide. Agency burden and cost and burden is also presented. The following definitions apply to this section.

**Annual costs:** The expected costs per year, including annually recurring costs and annualized one-time costs.

**Associated costs:** Non-labor costs, such as travel, emission testing, or document delivery.

**Burden:** The total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a tribal or 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 requirements; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. Burden is measured in term of hours and dollars incurred. The average annual burden takes into account annualized, one-time costs and the annually reoccurring cost and includes labor and non-labor costs.

**Fringe benefits:** any nonwage payment or benefit (e.g., pension plans, profit-sharing programs, vacation pay, and company-paid insurance programs) granted to employees by employers.

**Capital costs:** Costs that occur one time only. Much of the initial permitting process will need to be done only once.

**Labor costs:** A product of labor hours and labor rate, summed for all labor types (legal, managerial, technical, and clerical).

**Non-labor capital costs:** One-time costs, not including one-time labor costs. Includes purchase and installation of capital equipment.

**Overhead costs:** Expenses (such as for lighting, maintenance, and rent of a business premises, advertising, computing, maintenance, security, and supervision) incurred in joint usage and, therefore, difficult to assign to or identify with a specific cost center (e.g., department, function, program).

**Permitting costs:** The labor and associated costs to a facility to fulfill the requirements for obtaining an NSR permit.

**Registration costs:** The labor and associated costs with registering an existing source as required by the rule.

(a) *Estimating Respondent Burden.*

The estimated burden was calculated based on EPA's decision to delay implementation of the minor-source rule for 18 months following promulgation. Consequently, any new minor sources or modifications to existing minor sources coming on-line in the first 18 months following the effective date of the rule will only be required to register. These sources will thus incur the same costs as existing minor sources, which are also required to register under the rule. New minor sources and modifications to minor sources after the first 18 months will be required to obtain a permit under the rule.

(i) *Minor sources.*

The minor NSR permitting rule proposed in this action will apply to all new stationary sources and modifications in Indian country that are not subject to regulation as new major stationary sources or major modifications under parts C or D of Title I of the Act, and that meet the minor NSR thresholds as defined in the final rule. Existing true minor sources will not be affected unless they propose a modification above the minor NSR threshold.

*New minor sources.* The annual burden estimates are based on an estimated 3,803 new true minor source facilities coming on-line during the first 3 years following promulgation of the rule. Half of these are estimated to come on-line during the first 18 months following the effective date of the rule. Therefore, we estimate that 1,902 facilities will incur registration costs only, and 1,902 facilities will incur permitting costs.

*Modifications to existing minor sources.* EPA estimates that there are 32,891 existing true minor sources in Indian country. Assuming that a minor source makes a modification every 10 years (based on EPA's experience with other standards), each year, there will be an estimated 3,289 facilities making modifications to their operations. However, based on EPA's experience with other standards, it is anticipated that of these minor-source process/operational modifications, only 5 percent will result in emissions increases greater than the minor NSR threshold. Facilities in this group (164 facilities per year, or 492 over the first 3 years) that come on-line the first 18 months following promulgation will be required to register, and those that come on-line after the first 18 months will be required get a minor-source NSR permit. As EPA noted in its memorandum on "New Source Review Year 2000 Adjustments," September 6, 2000, industry has been able to build major new plants or make physical and operational changes at major existing sources without exceeding the major source and major modification thresholds. The same situation holds for minor sources. Sources are expected to avoid the minor NSR thresholds for same three reasons as noted for major sources: (1) installation of state-of-the-art control technologies; (2) replacement or better control of older, more polluting processes; and (3) engagement in effective pollution-prevention efforts. All of these actions result in significant reductions in air emissions beyond the baseline case.

Half of these facilities (246) are estimated to make modifications during the first 18 months following the effective date of the rule, and thus will only be subject to registration requirements. Therefore, during the first 3 years following promulgation, it is estimated that there will be 246 minor sources requiring permits as a result of

modifications. Of these minor-source facilities requiring a permit, it is estimated that half (123) will incur control-device costs. This estimate is based on EPA's experience with other standards.

With regard to the minor NSR permitting rule, the information-burden estimates for monitoring, testing, reporting, and recordkeeping are presented in Attachment 1. See Section 7 for the assumptions regarding the frequency of occurrence for the various respondent activities and their associated costs.

*(ii) Major sources.*

The NSR permitting regulations apply to all minor modifications to major stationary sources in Indian country and those new major stationary sources and major modifications to existing major sources located in portions of Indian country that are not in attainment of the NAAQS, i.e., nonattainment areas.

*New major sources.* The rule will only result in an administrative change for new major sources in Indian country; this is because, although the regulatory mechanism to issue permits is not yet available, either in the form of a federal nonattainment NSR rule or a TIP, EPA will be required to implement the program in Indian country and will otherwise have to do source-specific federal implementation plans. As a result, there will be no new or additional burden on industry. As stated previously, EPA estimates that, at most, three new major sources will locate in a nonattainment area in Indian country during the first 3 years following promulgation of the rule.

*Major modifications in nonattainment areas.* EPA data show that there are six existing major sources located in nonattainment areas in Indian country. The NSR rules will have little impact on these existing major stationary sources in Indian country because they will only affect such sources if they propose a major or minor modification, and none are expected to do so during the 3 years following promulgation.

*Minor modifications to major sources.* There are currently a total of 179 major sources located throughout Indian country. A portion of these will choose to make minor modifications during the first 3 years following promulgation. As previously noted above, industry has been able to build major new plants or make physical and operational changes at major existing sources without exceeding the major source and major modification thresholds. The same situation holds for minor modifications to major sources. Sources avoid the major and minor NSR thresholds for three reasons: (1) installation of state-of-the-art control technologies; (2) replacement or better control of older, more polluting processes; and (3) engagement in effective pollution-prevention efforts. All of these actions result in significant reductions in air emissions beyond the baseline case. Based on EPA's experience with other standards, it is assumed that each major source will make a process or operational modification every 10 years (18 facilities per year), and that of these major source process/operational modifications, only 10 percent (2 facilities per year) will result in greater than minor NSR threshold emission increases. These two facilities per year will be required to get a minor-source NSR permit. Under this scenario, there will be two major-source facilities in Indian country per year that make minor modifications, or six total over the first 3 years following

promulgation of the rule. The burden costs and impacts are based on sources incurring costs associated with the respondent activities required by the ***Review of New Sources and Modifications in Indian Country rule***. The burden costs and impacts are identified in Attachment 1 and characterized in Section 6.

*(iii) Synthetic minor sources.*

The tribal NSR permitting rule will also allow new and existing stationary sources in Indian country to accept federally enforceable limits on their potential to emit any regulated air pollutant. These enforceable permit limits will enable sources to avoid regulation as new major stationary sources, and instead, be regulated under this proposed rule, and other applicable rules, as minor sources. Sources that voluntarily accept enforceable emission limits in order to avoid major NSR regulations are often referred to as “synthetic minor” sources. EPA believes that facilities could choose to do this to avoid Title V permitting or avoid being classified as a major source under the NSR or Maximum Achievable Control Technology (MACT) (National Emission Standards for Hazardous Air Pollutants [NESHAP]) programs. Based on information from EPA Regions, 24 new synthetic minor sources are expected during the first 3 years following promulgation.

*(b) Estimating Respondent Costs.*

*(i) Estimating labor costs.*

Labor rates and associated costs are based on Bureau of Labor Statistics (BLS) data. Technical, management, and clerical average hourly rates for civilian workers were taken from the September 2009 Employment Cost Trends (<http://stats.bls.gov/news.release/ecec.t02.htm>). Wages for civilian workers (white-collar occupations) are used as the basis for the labor rates, with a total compensation of \$31.09/hour for technical, \$54.52/hour for managerial and legal, and \$23.11/hour for clerical. These rates represent salaries plus fringe benefits and do not include the cost of overhead. An overhead rate of 110 percent is used to account for these costs. The fully-burdened wage rates used to represent respondent labor costs are technical at \$65, management and legal at \$114, and clerical at \$49. These labor rates are used in Attachment 1 to estimate total labor costs.

*(ii) Estimating capital/startup operating and maintenance (O&M) costs.*

Several of the monitoring, recordkeeping, and reporting (MRR) activities associated with the minor-source NSR rule occur only one time. These costs for affected minor sources are considered as capital costs in this analysis. The estimate of facility capital costs associated with the NSR permit program is shown in Attachment 1; activities in the attachment are noted as one-time or capital costs. The average total capital cost per facility is estimated over the first 3 years following promulgation as \$13,290 per affected source. Of this amount, \$1,340 are non-labor related capital costs for such one-time activities as air quality modeling analysis and emission source testing averaged over the frequency of occurrence. Total capital costs are presented in Table 1. Because no continuous emission monitoring is required and no additional costs will be incurred for continuous monitoring, the O&M costs for affected new and modified major and minor sources are considered zero for this rule.



During the 3 years following promulgation, the expected affected new and modified facilities in Indian country include 3,803 new minor sources (1,902 during the second 18 months); 492 modifications to minor sources (246 during the second 18 months); 3 new major sources in nonattainment areas; 6 minor modifications to existing major sources in attainment and nonattainment areas; and 24 new synthetic minor sources. No major modifications to existing major sources in nonattainment areas are expected. These new and modified affected sources will all incur the same MRR cost associated with the NSR permit program. As shown in Attachment 1, the average capital cost per facility is estimated over the first 3 years following promulgation as \$13,290 per affected source.

There are 32,891 existing true minor sources located in Indian country. These sources are expected to incur a one-time registration cost. New minor sources and modifications to minor sources during the first 18 months after promulgation (1,902 and 246 facilities, respectively) also will only incur the cost of one-time registration. The average total capital cost per source is \$433. There are 79 existing synthetic minor sources in Indian country that will incur a one-time permitting cost; the average total capital cost per source is \$4,341. Estimated costs are presented in Table 1.

*(iii) Estimating annual costs.*

The annualized cost of capital for the capital costs and one-time activities for new and modified minor sources after the first 18 months (i.e., \$13,290), shown in Attachment 1, is \$1,892 per year. Of this amount, \$191 is attributable to the annualized non-labor capital costs. This is based on a repayment period of 10 years and an interest rate of 7 percent. The annual and reoccurring costs as shown in Attachment 1 amount to a burden cost of \$7,543 per year. The total annual burden cost is estimated at \$9,435 per year per affected source, i.e., \$1,892 plus \$7,543.

The annualized cost of capital for the capital costs and one-time activities for new and modified major sources in nonattainment areas (i.e., \$17,138), shown in Attachment 1, is \$2,440 per year. Of this amount, \$169 is attributable to the annualized non-labor capital costs. This estimate is based on a repayment period of 10 years and an interest rate of 7 percent. The annual and reoccurring costs as shown in Attachment 1 amount to a burden cost of \$7,543 per year. The total annual burden cost is estimated at \$9,983 per year per affected source, i.e., \$2,440 plus \$7,543.

Existing true minor sources are expected to incur one-time registration costs, and existing synthetic minor sources are expected to incur one-time permitting costs during the first 12 months following rule promulgation. New and modified true minor sources during the first 18 months after promulgation are expected to incur one-time registration costs.

*(c) Estimating Agency Burden and Cost.*

The only costs that the federal government will incur as a result of this action are user costs associated with the analysis of the reported information, as presented in Attachment 2. This action imposes no direct burden on state, local, or tribal agencies. However, should a tribal agency choose to accept delegated authority for the minor NSR rule, the

only costs that the tribal agency or government will incur are user costs associated with the analysis of the reported information, as presented in Attachment 2.

Labor rates and associated costs for the Agency are assumed to be the same as the respondent's hourly rates rather than the U.S. Government labor rates and associated costs, such as those based on labor rates from the U.S. Office of Personnel Management (OPM). These rates are considered more appropriate, assuming tribal agencies may adopt the rules. Therefore, Agency labor rates are estimated as follows: technical at \$65, management and legal at \$114, and clerical at \$49. The occurrence of Agency-related activities is based on the same frequency of occurrence as used for respondent activities. The average total Agency burden per affected source, provided in Attachment 2, is 42 hours per affected source including technical, management, legal, and clerical hours.

The average total annual cost to the Agency per affected source is calculated by determining the total labor cost for all the various respondent activities. The costs for those activities are then added to any associated costs (e.g., total travel expenses for inspections attended) to get the average Agency burden per facility per year. Because the Agency activities are similar for processing a permit for a major or minor source, and because we anticipate only one new major source in a nonattainment area per year for the first 3 years following promulgation, the cost to the Agency for each affected source is assumed to be the same. The average total annual cost to the Agency per affected source (new majors, new minors, and modifications), given in Attachment 2, including the cost of labor, materials, operation, and maintenance, is \$3,037 per year. The average total cost to the Agency per affected existing synthetic minor source is \$693 and per true existing minor source is \$180.

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

Stationary sources subject to permitting under this rulemaking will be required to file a NSR construction permit and provide the various one-time notifications required by the rules. In addition, some of these minor sources will be required to install required monitoring equipment; conduct air impacts modeling if required by the reviewing authority; and provide the various notifications and reports on a routine basis. Costs also will be incurred for inspections of control devices. Details on the number and percentage of respondents affected by each individual burden activity/item are provided in the assumptions listed below in Section 7. The weighted average total burden per affected source, including technical, management, legal, and clerical hours, provided in Attachment 1 is 286 hours for new/modified minor sources beginning 18 months after the effective date of the rule; 342 hours for new/modified major sources in nonattainment areas; 65 hours for existing synthetic minor sources; and 5 hours for existing true minor sources and new/modified minor sources for the first 18 months. The weighted average total annualized cost per affected source (total of reoccurring costs and annualized capital costs) given in Attachment 1, including the cost of labor, capital, materials, and operation and maintenance, is \$9,435 per year for new and modified minor sources after the first 18 months, and \$9,983 per year for new and modified major sources in nonattainment areas.

EPA estimates that 3,803 new minor sources of varying types will be constructed in Indian country during the first 3 years after promulgation (1,268 per year). It is estimated

that 492 existing minor sources will require permits as a result of minor modifications during the first 3 years (164 per year). EPA estimates that, at most, three new major sources will locate in a nonattainment area in Indian country and that there will be six minor modifications to major sources in Indian country (two per year) during the first 3 years following promulgation. In addition, EPA expects no major modifications in nonattainment areas in Indian country during the first 3 years following promulgation. Twenty-four new synthetic minors are expected to be processed under the rule during the 3 years following promulgation. The nationwide total annual recordkeeping and reporting burden hours and costs for the first 3 years following promulgation are shown in Tables 2 and 3.

(e) *Bottom-line Burden Hours and Cost Tables.*

(i) *Respondent tally.*

The bottom-line respondent burden capital costs presented in Table 1 are calculated by taking the capital costs for the one-time monitoring, compliance testing, and recordkeeping, and the reporting costs associated with the minor-source NSR permit program for each affected source type and then multiplying that value by the number of affected sources of that type that are expected to occur in Indian country for the first 3 years following promulgation of the rule. The totals for each source type are then added to get the nationwide total capital costs shown in Table 1. Total capital costs for 3 years are \$44,511,860 (an average cost of \$14,837,287 per year). These values include the total non-labor capital costs of \$3,800,499.

The nationwide total annual compliance costs are the annualized costs of monitoring, testing, recordkeeping, and reporting associated with the NSR rule, multiplied by the number of affected source types that are expected to occur in Indian country for the first 3 years following promulgation of the rule. The totals for each source type are then added to get the nationwide total annual recordkeeping and reporting burden costs shown in Table 2. The total cost for the first 3 years is \$22,800,619 (an average cost of \$7,600,206 per year). These values include the total annualized non-labor capital costs of \$556,977 over the 3-year period, which is the product of the annualized non-labor costs per source and the total number of affected sources per year.

(ii) *The Agency tally.*

The bottom-line Agency total annual burden costs are calculated by taking the average cost to the Agency per facility (\$4,932) and multiplying by the number of affected sources in Indian country during the first 3 years following promulgation. The nationwide total annual cost to EPA or the tribal agencies, as shown in Table 3, is \$17,118,459 for the first 3 years (an average cost of \$5,706,153 per year).

(iii) *Variations in the annual bottom line.*

*Litigation.* Although not typically included directly in EPA burden estimates, it is possible that EPA or the tribal agencies will be involved in periodic litigation related to the minor-source NSR permit program. To characterize these costs, it is assumed that a tribal agency will be involved with a facility litigation, on average, of once every 3 years. The estimated annual cost of these activities, as shown in Attachment 2, is 73 hours, and \$5,887 per year per tribal agency litigation.

(f) *Reasons for Change in Burden.*

This is a revision of a currently approved base NSR collection ICR.

(g) *Burden Statement.*

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 286 hours per respondent for new/modified minor sources after the first 18 months following promulgation; 342 hours for new and modified major sources in nonattainment areas; 65 hours per respondent for existing synthetic minor sources; and 5 hours per respondent for existing true minor sources and for new and modified minor sources during the first 18 months following promulgation. 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 Number EPA-HQ-OAR-2003-0076, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the EPA's Air and Radiation Docket and Information Center, Environmental Protection Agency, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The 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 EPA's Air and Radiation Docket and Information Center is (202) 566-1742. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2003-0076 in any correspondence.

**7. Assumptions Made in Estimating the Burden and Cost to the Facilities (Respondents) and EPA and Tribal Agencies.**

The burden and cost estimates are based on the following assumptions for those facilities requiring NSR permits under the rule. These assumptions are the result of the final rule requirements and EPA's experience with previous rulemakings and standards.

- (a) All affected minor and major sources will incur preparation and planning costs.
- (b) One in 50 facilities will be required to conduct ambient air modeling. Associated costs for an ambient modeling study are estimated at \$10,000 per source.
- (c) One in 20 facilities will be required to hold a public hearing. Associated costs for the public hearing are estimated at \$100 for the Agency and a \$25 material cost to the source.

- (d) One in 5 facilities will make revisions to their permits following submittal.
- (e) One in 20 facilities will be required to acquire and install a process parameter monitoring system. No continuous emission monitoring devices are required or anticipated; it is expected that existing process parameter monitoring data will be used to demonstrate continuous compliance.
- (f) One in 50 facilities will be required to conduct a control-device performance test.
- (g) One in 10 facilities will report at least one deviation from the established monitoring values during the year.
- (h) Three in 10 facilities will include minor sources that are exempt from the control requirements.
- (i) All facilities will be required to keep records of some type and to periodically enter data into the files.
- (j) One in 10 facilities will train personnel and conduct audits of their source during the year.
- (k) One in 10 facilities is inspected by the Agency annually, and 10 percent of the inspected facilities are found in non-compliance with one or more provisions of the rule. Agency travel costs are included in the associated costs at \$100 per inspection.
- (l) Each tribal agency may be involved in litigation of a facility on average of one per 3 years.
- (m) Associated material costs of \$25 are included for each report and plan required for the source.

**PART B OF THE SUPPORTING STATEMENT**

**Table 1. Estimated Total Capital Cost Burden to Industry to Implement Reporting and Recordkeeping Requirements during the First Three Years.**

Affected Source Type <sup>a</sup>	Number of Affected Sources (First Three Years)	Average Total Capital Cost per Source <sup>b</sup>	Average Non-Labor Capital Cost per Source	Total Non-Labor Capital Costs	Total Capital Costs
New Minor Sources (First 18 Months)	1,902	\$433	\$25	\$47,550	\$823,566
New Minor Sources (Second 18 Months)	1,902	\$13,290	\$1,340	\$2,548,680	\$25,277,580
Modifications to Minor Sources (First 18 Months)	246	\$433	\$25	\$6,150	\$106,518
Modifications to Minor Sources (Second 18 Months)	246	\$13,290	\$1,340	\$329,640	\$3,269,340
Existing Synthetic Minor Sources	79	\$4,341	\$31	\$2,449	\$342,939
Existing True Minor Sources	32,891	\$433	\$25	\$822,275	\$14,241,803
New Major Sources in Nonattainment Areas	3	\$17,138	\$1,185	\$3,555	\$51,414
Major Modifications to Major Sources in Nonattainment Areas	0	\$17,138	\$1,185	\$0	\$0
Minor Modifications to Major Sources (all areas)	6	\$13,290	\$1,340	\$8,040	\$79,740
New Synthetic Minor Sources	24	\$13,290	\$1,340	\$32,160	\$318,960
<b>Totals</b>	<b>37,299</b>			<b>\$3,800,499</b>	<b>\$44,511,860</b>

Notes:

<sup>a</sup> New minor sources and modifications to minor sources in the first 18 months following the effective date of the rule are subject to one-time registration only. New minor sources and modifications to minor sources after the first 18 months are required to obtain an NSR permit. Therefore, the costs for these source types are different for the first and second 18-month period of the first 3 years following promulgation.

<sup>b</sup> The capital costs and cost of one-time activities (i.e., the sum of all one-time costs shown in Attachment 1) are \$13,290 for all new and modified sources except new and modified sources in the first 18 months after the effective date of the rule and new major sources in nonattainment areas and major modifications to major sources in nonattainment areas. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$1,892.

The capital costs and cost of one-time activities for new major sources in nonattainment areas and major modifications to major sources in nonattainment areas are \$17,138.

Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$2,440.

These values include the non-labor capital costs (\$1,340 or \$1,185), shown above.

**Table 2. Estimated Total Annual Cost Burden to Industry to Implement Reporting and Recordkeeping Requirements During the First Three Years.**

Affected Source Type	Number of Affected Sources	Total Hours per Source	Total Hours (All Sources, Three Years) <sup>a</sup>	Annualized Non-Labor Cost per Source	Total Cost per Source <sup>b,c</sup>	Total Annualized Non-Labor Capital Costs	Total Costs
New Minor Sources (First 18 Months)	1,902	5	9,510	\$4	\$62	\$7,608	\$117,924
New Minor Sources (Second 18 Months)	1,902	286	1,631,916	\$191	\$9,435	\$363,282	\$17,945,370
Modifications to Minor Sources (First 18 Months)	246	5	1,230	\$4	\$62	\$984	\$15,252
Modifications to Minor Sources (Second 18 Months)	246	286	211,068	\$191	\$9,435	\$46,986	\$2,321,010
New Major Sources in Nonattainment Areas	3	286	2,574	\$169	\$9,983	\$507	\$29,949
Existing Synthetic Minor Sources	79	65	5,135	\$4	\$618	\$316	\$48,822
Existing True Minor Sources	32,891	5	164,455	\$4	\$62	\$131,564	\$2,039,242
Major Modifications to Major Sources in Nonattainment Areas	0	286	0	\$169	\$9,983	\$0	\$0
Minor Modifications to Major Sources	6	286	5,148	\$191	\$9,435	\$1,146	\$56,610
New Synthetic Minor Sources	24	286	20,592	\$191	\$9,435	\$4,584	\$226,440
<b>Totals</b>	<b>37,299</b>		<b>2,051,628</b>			<b>\$556,977</b>	<b>\$22,800,619</b>

Notes:

<sup>a</sup> Sources only subject to one-time registration or permitting costs (new minor sources during the first 18 months, modifications to minor sources during the first 18 months, existing minor sources, and existing synthetic minor sources) are only attributed hours for 1 year. For the remaining affected sources, hours per year were multiplied by 3 years.

<sup>b</sup> Sum of total reoccurring costs from Attachment 1 and the annualized non-labor cost (see note c).

<sup>c</sup> The associated non-labor capital costs for one-time and reoccurring activities for most new and modified sources is \$1,340 per year. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$191.

The associated non-labor capital costs for one-time and reoccurring activities for new major sources in nonattainment areas and major modifications to major sources in nonattainment areas is \$1,185 per year. Annualized based on a repayment period of 10 years and an interest rate of 7 percent, the amount is \$169.



**Table 3. Estimated Recurrent Burden and Cost to the Agency to Implement Reporting and Recordkeeping Requirements during the First Three Years<sup>a</sup>.**

Affected Source Type	Number of Affected Sources (First Three Years)	Average Total Hours per Source	Total Hours per Year	Average Cost per Source	Total Annual Costs
New Minor Sources (First 18 Months)	1,902	2	3,804	\$180	<b>\$342,360</b>
New Minor Sources (Second 18 Months)	1,902	42	79,884	\$4,932	<b>\$9,380,664</b>
Modifications to Minor Sources (First 18 Months)	246	2	492	\$180	<b>\$44,280</b>
Modifications to Minor Sources (Second 18 Months)	246	42	10,332	\$4,932	<b>\$1,213,272</b>
Existing Synthetic Minor sources	79	10	790	\$693	<b>\$54,747</b>
Existing true minor Sources	32,891	2	65,782	\$180	<b>\$5,920,380</b>
New Major Sources in Nonattainment Areas	3	42	126	\$4,932	<b>\$14,796</b>
Major Modifications to Major Sources in Nonattainment Areas	0	42	0	\$4,932	<b>\$0</b>
Minor Modifications to Major Sources	6	42	252	\$4,932	<b>\$29,592</b>
Synthetic Minor Sources	24	42	1,008	\$4,932	<b>\$118,368</b>
<b>Totals</b>	<b>37,299</b>		<b>162,470</b>		<b>\$17,118,459</b>

Notes:

<sup>a</sup> The average total annualized cost to the agency per affected source given in Attachment 2, including the cost of labor, capital, operation, and maintenance, is \$3,037 per year for new/modified sources, \$693 for existing synthetic minor sources, and \$180 for existing true minor sources.

**Attachment 1. New Sources and Modifications in Indian Country Respondent (Facility) Burden and Cost (One-Time and Reoccurring)**

Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
<b>NEW/MODIFIED MINOR SOURCES AFTER THE FIRST 18 MONTHS</b>														
<b>1. Preparation and Planning</b>														
a. Determination of compliance requirements (#)	0	2	8	0	1	1	10	\$0	\$229	\$522	\$0	\$751	\$0	\$751
b. Obtain guidance on data needs (#)	0	0	2	0	1	1	2	\$0	\$0	\$131	\$0	\$131	\$0	\$131
c. Preparation of PTE for NSR pollutants (#)	0	4	16	2	1	1	22	\$0	\$458	\$1,045	\$97	\$1,600	\$0	\$1,600
<b>2. Data Collection and Analysis (Surveys &amp; Studies)</b>														
a. Conduct ambient air modeling (#)	0	2	40	4	1	0.02	0.9	\$0	\$5	\$52	\$4	\$61	\$200	\$261
<b>3. Permit Application</b>														
a. Preparation and submittal of Permit Application (#)	2	4	40	16	1	1	62	\$229	\$458	\$2,612	\$776	\$4,075	\$25.00	\$4,100
b. Public hearing (#)	4	4	16	8	1	0.05	2	\$23	\$23	\$52	\$19	\$117	\$1.25	\$119
c. Revisions to permit (#)	1	1	4	2	1	0.2	2	\$23	\$23	\$52	\$19	\$117	\$5.00	\$122
<b>4. Acquisition, Installation, and Use of Technology and Systems</b>														
a. Control device operating parameter (#) (emission) monitoring system	0	4	20	2	1	0.05	1	\$0	\$23	\$65	\$5	\$93	\$0	\$93
<b>5. Reporting Requirements</b>														
a. Read instructions (#)	0	2	4	0	1	1	6	\$0	\$229	\$261	\$0	\$490	\$0	\$490
b. Required activities (#)														
c. Create information														
i. Conduct control device performance test (#)	0	8	40	8	1	0.02	1	\$0	\$18	\$52	\$8	\$78	\$1,000	\$1,078
d. Gather existing information (#)	0	0	8	2	1	1	10	\$0	\$0	\$522	\$97	\$619	\$0	\$619
e. Write reports														
i. Initial notification of intent to constr/modify (#)	1	2	4	2	1	1	9	\$114	\$229	\$261	\$97	\$702	\$25.00	\$727
ii. Performance test notification (#)	0	0	2	1	1	0.02	0.1	\$0	\$0	\$3	\$1	\$4	\$0.50	\$4

Attachment 1 (continued)

Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
<b>NEW/MODIFIED MINOR SOURCES AFTER THE FIRST 18 MONTHS</b>														
iii. Site-specific test plan (#)	0	1	16	8	1	0.02	0.5	\$0	\$2	\$21	\$8	\$31	\$0.50	\$31
iv. Initial compliance status determination (#)	1	4	8	4	1	1	17	\$114	\$458	\$522	\$194	\$1,289	\$25.00	\$1,314
v. Performance test reports (#)	0	4	16	4	1	0.02	0.5	\$0	\$9	\$21	\$4	\$34	\$0.50	\$34
vi. Annual monitoring report (##)	1	2	8	4	1	1	15	\$114	\$229	\$522	\$194	\$1,060	\$25.00	\$1,085
vii. Deviation report (###)	1	2	4	2	1	0.1	0.9	\$11	\$23	\$26	\$10	\$70	\$2.50	\$73
<b>6. Recordkeeping Requirements</b>														
a. Read instructions (###)	1	2	8	0	1	1	11	\$114	\$229	\$522	\$0	\$866	\$0.00	\$866
b. Plan activities (##)	0	2	8	2	1	1	12	\$0	\$229	\$522	\$97	\$848	\$0.00	\$848
<b>c. Implement activities</b>														
i. Prepare documentation for exempted sources (#)	4	2	20	8	1	0.1	3	\$46	\$23	\$131	\$39	\$238	\$2.50	\$241
ii. Monitor control device parameters (###)	0	0	1	0	52	0.1	5	\$0	\$0	\$340	\$0	\$340	\$0.00	\$340
iii. Inspect control device (###)	0	0	1	0	12	1	12	\$0	\$0	\$783	\$0	\$783	\$0.00	\$783
d. Develop record system (#)	0	2	4	16	1	1	22	\$0	\$229	\$261	\$776	\$1,267	\$25.00	\$1,292
e. Time to enter information (###)	0	0	1	0	52	1	52	\$0	\$0	\$3,395	\$0	\$3,395	\$0.00	\$3,395
f. Time to train personnel (#)	0	0	40	4	1	0.1	4	\$0	\$0	\$261	\$19	\$281	\$2.50	\$283
g. Time to perform audits (###)	0	2	20	0	1	0.1	2	\$0	\$23	\$131	\$0	\$153	\$0.00	\$153
<b>TOTAL</b>							286					\$19,493	\$1,340	\$20,833
<b>NEW/MODIFIED MAJOR SOURCES IN NONATTAINMENT AREAS</b>														
<b>1. Preparation and Planning</b>														
a. Determination of compliance requirements (#)	0	2	8	0	1	1	10	\$0	\$229	\$522	\$0	\$751	\$0	\$751
b. Obtain guidance on data needs (#)	0	0	2	0	1	1	2	\$0	\$0	\$131	\$0	\$131	\$0	\$131
c. Preparation of PTE for NSR pollutants (#)	0	4	16	2	1	1	22	\$0	\$458	\$1,045	\$97	\$1,600	\$0	\$1,600
<b>2. Data Collection and Analysis (Surveys &amp; Studies)</b>														
a. Conduct LAER analysis (#)	0	4	40	4	1	1.00	48.0	\$0	\$458	\$2,612	\$194	\$3,264	\$10,000	\$13,264

Attachment 1 (continued)

Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
<b>NEW/MODIFIED MAJOR SOURCES IN NONATTAINMENT AREAS</b>														
<b>3. Permit Application</b>														
a. Preparation and submittal of Permit Application (#)	2	4	40	16	1	1	62	\$229	\$458	\$2,612	\$776	\$4,075	\$25.00	\$4,100
b. Public hearing (#)	4	4	16	8	1	0.05	2	\$23	\$23	\$52	\$19	\$117	\$1.25	\$119
c. Revisions to permit (#)	1	1	4	2	1	0.2	2	\$23	\$23	\$52	\$19	\$117	\$5.00	\$122
d. Permit appeal (#)	20	5	10	10	1	0.2	9	\$458	\$114	\$131	\$97	\$800	\$5.00	\$805
<b>4. Acquisition, Installation, and Use of Technology and Systems</b>														
a. Control device operating parameter (#) (emission) monitoring system	0	4	20	2	1	0.05	1	\$0	\$23	\$65	\$5	\$93	\$0	\$93
<b>5. Reporting Requirements</b>														
a. Read instructions (#)	0	2	4	0	1	1	6	\$0	\$229	\$261	\$0	\$490	\$0	\$490
b. Required activities (#)														
c. Create information														
i. Conduct control device performance test (#)	0	8	40	8	1	0.02	1	\$0	\$18	\$52	\$8	\$78	\$1,000	\$1,078
d. Gather existing information (#)	0	0	8	2	1	1	10	\$0	\$0	\$522	\$97	\$619	\$0	\$619
e. Write reports														
i. Initial notification of intent to constr/modify (#)	1	2	4	2	1	1	9	\$114	\$229	\$261	\$97	\$702	\$25.00	\$727
ii. Performance test notification (#)	0	0	2	1	1	0.02	0.1	\$0	\$0	\$3	\$1	\$4	\$0.50	\$4
iii. Site-specific test plan (#)	0	1	16	8	1	0.02	0.5	\$0	\$2	\$21	\$8	\$31	\$0.50	\$31
iv. Initial compliance status determination (#)	1	4	8	4	1	1	17	\$114	\$458	\$522	\$194	\$1,289	\$25.00	\$1,314
v. Performance test reports (#)	0	4	16	4	1	0.02	0.5	\$0	\$9	\$21	\$4	\$34	\$0.50	\$34
vi. Annual monitoring report (##)	1	2	8	4	1	1	15	\$114	\$229	\$522	\$194	\$1,060	\$25.00	\$1,085

Attachment 1 (continued)

Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
vii. Deviation report (##)	1	2	4	2	1	0.1	0.9	\$11	\$23	\$26	\$10	\$70	\$2.50	\$73
Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
Legal	Managerial	Technical	Clerical	Legal				Managerial	Technical	Clerical				
				\$114				\$114	\$65	\$49				
<b>NEW/MODIFIED MAJOR SOURCES IN NONATTAINMENT AREAS</b>														
<b>6. Recordkeeping Requirements</b>														
a. Read instructions (##)	1	2	8	0	1	1	11	\$114	\$229	\$522	\$0	\$866	\$0.00	\$866
b. Plan activities (##)	0	2	8	2	1	1	12	\$0	\$229	\$522	\$97	\$848	\$0.00	\$848
c. Implement activities														
i. Prepare documentation for exempted sources (#)	4	2	20	8	1	0.1	3	\$46	\$23	\$131	\$39	\$238	\$2.50	\$241
ii. Monitor control device parameters (##)	0	0	1	0	52	0.1	5	\$0	\$0	\$340	\$0	\$340	\$0.00	\$340
iii. Inspect control device (##)	0	0	1	0	12	1	12	\$0	\$0	\$783	\$0	\$783	\$0.00	\$783
d. Develop record system (#)	0	2	4	16	1	1	22	\$0	\$229	\$261	\$776	\$1,267	\$25.00	\$1,292
e. Time to enter information (##)	0	0	1	0	52	1	52	\$0	\$0	\$3,395	\$0	\$3,395	\$0.00	\$3,395
f. Time to train personnel (#)	0	0	40	4	1	0.1	4	\$0	\$0	\$261	\$19	\$281	\$2.50	\$283
g. Time to perform audits (##)	0	2	20	0	1	0.1	2	\$0	\$23	\$131	\$0	\$153	\$0.00	\$153
<b>TOTAL</b>							342					\$23,496	\$11,145	\$34,641
<b>EXISTING SYNTHETIC MINOR SOURCES</b>														
<b>1. Permit Application</b>														
a. Preparation and submittal of Permit Application (#)	2	4	40	16	1	1	62	\$229	\$458	\$2,612	\$776	\$4,075	\$25.00	\$4,100
b. Public hearing (#)	4	4	16	8	1	0.05	2	\$23	\$23	\$52	\$19	\$117	\$1.25	\$119
c. Revisions to permit (#)	1	1	4	2	1	0.2	2	\$23	\$23	\$52	\$19	\$117	\$5.00	\$122
<b>TOTAL</b>							65					\$4,310	\$31	\$4,341

Attachment 1 (continued)

Facility NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Costs	(H) Total Costs (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
<b>EXISTING TRUE MINOR SOURCES AND NEW TRUE MINOR SOURCES DURING FIRST 18 MONTHS</b>														
1. Registration														
a. Read instructions (#)	0	1	1	0	1	1	2	\$0	\$114	\$65	\$0	\$180	\$0	\$180
b. Minor source facility registration (#)	0	1	1	1	1	1	3	\$0	\$114	\$65	\$49	\$228	\$25.00	\$253
<b>TOTAL</b>							5					\$408	\$25	\$433

Notes: # = One-time costs that are incurred and treated as capital costs.

## = Annual or reoccurring cost included as an annual cost.

**For New/Modified Minor Sources after the First 18 Months:**

Based on the above costs, the average capital cost per facility for the one-time activities is \$13,290 per source (i.e., the sum of those items identified as one-time costs [#]); annualized, this cost is \$1,892 per year per source. The average non-labor capital cost is \$1,340 (total of column G); annualized, this cost is \$191 per year per source. The total of the various annual and reoccurring costs (##) in column H plus the annualized capital cost is an average of \$9,435 per year per source.

**For New/Modified Major Sources in Nonattainment Areas:**

Based on the above costs, the average capital cost per facility for the one-time activities is \$17,138 per source (i.e., the sum of those items identified as one-time costs [#]); annualized, this cost is \$2,440 per year per source. The average non-labor capital cost is \$1,185 (total of column G); annualized, this cost is \$169 per year per source. The total of the various annual and reoccurring costs (##) in column H plus the annualized capital cost is an average of \$9,983 per year per source.

**Attachment 2. New Sources and Modifications in Indian Country Agency Burden and Cost (One-Time and Reoccurring)**

Agency NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Annual Costs	(H) Total Costs per year (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
<b>NEW/MODIFIED SOURCES (Major and Minor)</b>														
<b>1. Permit Review</b>														
a. Initial permit review	0	1	8	0	1	1	9	\$0	\$114	\$522	\$0	\$637	\$0	\$637
b. Public Hearing	0	1	8	8	1	0.05	0.9	\$0	\$6	\$26	\$19	\$51	\$5	\$56
c. Permit Revisions	1	1	4	0		0.2	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>2. Report Review</b>														
a. Initial notification of intent to constr/modify	0	1	4	0	1	1	5	\$0	\$114	\$261	\$0	\$376	\$0	\$376
b. Appeal	1	1	4	0	1	0.1	0.6	\$11	\$11	\$26	\$0	\$49	\$0	\$49
c. Performance test notification	0	1	2	0	1	0.02	0.06	\$0	\$2	\$3	\$0	\$5	\$0	\$5
d. Site-specific test plan	0	1	8	0	1	0.02	0.2	\$0	\$2	\$10	\$0	\$13	\$0	\$13
e. Initial compliance determination	0	1	8	0	1	1	9	\$0	\$114	\$522	\$0	\$637	\$0	\$637
f. Performance test reports	0	2	16	0	1	0.02	0.4	\$0	\$5	\$21	\$0	\$25	\$0	\$25
g. Annual monitoring report	0	2	8	0	1	1	10	\$0	\$229	\$522	\$0	\$751	\$0	\$751
h. Deviation report	0	2	4	0	1	0.1	0.6	\$0	\$23	\$26	\$0	\$49	\$0	\$49
i. Annual monitoring reports	0	1	4	0	1	0.1	0.5	\$0	\$11	\$26	\$0	\$38	\$0	\$38
<b>3. Site Compliance Inspections (a,b)</b>														
a. Pre-inspection review of facility information	0	1	8	1	1	0.1	1	\$0	\$11	\$52	\$5	\$69	\$0	\$69
b. Travel to and from facility (b)	0	0	8	0	1	0.1	0.8	\$0	\$0	\$52	\$0	\$52	\$10	\$62
c. Inspection of air control equipment used to comply with rule requirements	0	0	4	0	1	0.1	0.4	\$0	\$0	\$26	\$0	\$26	\$0	\$26
d. Review site records	0	0	4	0	1	0.1	0.4	\$0	\$0	\$26	\$0	\$26	\$0	\$26
e. Prepare inspection report	0	4	16	4	1	0.1	2	\$0	\$46	\$104	\$19	\$170	\$3	\$172

**Attachment 2. (continued)**

Agency NSR Program Activity	(A) Labor Hours per Activity per Labor Category				(B) Activities per Respondent per Year	(C) Total Number of Respondents	(D) Total Hours	(E) Labor Costs per Labor Category (AxBxCxRate)				(F) Total Labor Costs	(G) Associated Annual Costs	(H) Total Costs per year (F+G)
	Legal	Managerial	Technical	Clerical				Legal	Managerial	Technical	Clerical			
								\$114	\$114	\$65	\$49			
4. Enforcement Actions (c,d)														
a. Inform facility of noncompliance	4	4	20	8	1	0.01	0.4	\$5	\$5	\$13	\$4	\$26	\$0	\$26
b. Follow-up site inspection	0	4	20	4	1	0.01	0.3	\$0	\$5	\$13	\$2	\$20	\$1	\$21
<b>TOTAL ANNUAL COST PER SOURCE</b>							42					\$3,019	\$19	\$3,037
5. Litigation Cost per Tribal Agency	40	40	100	40	1	0.3	73	\$1,525	\$1,525	\$2,174	\$646	\$5,871	\$17	\$5,887
<b>TOTAL</b>							115					8,889	35	8,925
6. EPA Overview of Tribal Agency	8	8	40	8	1	1	64	\$916	\$916	\$2,612	\$388	\$4,832	\$100	\$4,932
<b>EXISTING SYNTHETIC MINOR SOURCES</b>														
1. Permit Review														
a. Initial permit review	0	1	8	0	1	1	9	\$0	\$114	\$522	\$0	\$637	\$0	\$637
b. Public hearing	0	1	8	8	1	0.05	0.9	\$0	\$6	\$26	\$19	\$51	\$5	\$56
c. Permit revisions	1	1	4	0		0.2	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>							10					\$688	\$5	\$693
<b>EXISTING TRUE MINOR SOURCES AND NEW TRUE MINOR SOURCES DURING FIRST 18 MONTHS</b>														
1. Registration Review														
a. Minor source facility registration	0	1	1	0	1	1	2	\$0	\$114	\$65	\$0	\$180	\$0	\$180
<b>TOTAL</b>							2					\$180	\$0	\$180