1**SUPPORTING STATEMENT**

**NESHAP FOR MINERAL WOOL PRODUCTION (40 CFR PART 63, SUBPART DDD) (PROPOSED RULE)**

**PART A**

## 1.0 Identification of the Information Collection

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

NESHAP for Mineral Wool Production (40 CFR part 63, subpart DDD), EPA tracking number is 1799.06, OMB Control Number 2060-0362.

*(b) Short Characterization.*

This ICR covers information collection requirements in the proposed amendments to the Mineral Wool Production NESHAP (40 CFR part 63, subpart DDD).

The potential respondents are owners or operators of any existing, new, or reconstructed mineral wool production facilities. There are an estimated 7 facilities subject to the Mineral Wool Production NESHAP. The affected source is any mineral wool production facility that is engaged, either in part or in whole, in the production of mineral wool and that is located at a plant site that is a major source as defined in 40 CFR part 63.2.

The proposed amendments would require HAP-specific emission limits for COS, HF, and HCl from cupolas; revised emission limits for formaldehyde and new emission limits for phenol, and methanol from 3 new subcategories of combined collection/curing operations; and new requirements for periods of startup and shutdown. The proposed emission limits for COS can be met by cost effective measures such as changes in raw materials and the other proposed emission limits are currently being met by all facilities. These amendments are explained further in the following paragraphs.

The information collection requirements associated with the proposed amendments to the NESHAP are listed in Attachment 1.

## 2. Need For and Use of the Collection

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

Section 112 of the Clean Air Act (CAA) requires EPA to establish NESHAP for both major and area sources of HAP that are listed for regulation under CAA section 112(c). A major source is a stationary source that emits or has the potential to emit more than 10 tons per year (tpy) of any single HAP or more than 25 tpy of any combination of HAP. An area source is a stationary source that is not a major source (i.e., an area source does not emit and does not have the potential to emit more than 10 tpy of any single HAP and more than 25 tpy of any combination of HAP). For major sources, these technology-based standards must reflect the maximum degree of emission reductions of HAP achievable (after considering cost, energy requirements, and non-air quality health and environmental impacts) and are commonly referred to as maximum achievable control technology (MACT) standards. Section 112(d)(6) requires EPA to review these technology-based standards and to revise them "as necessary (taking into account developments in practices, processes, and control technologies)" no less frequently than every 8 years. In addition, section 112(f) of the CAA requires EPA to determine for source categories subject to certain CAA section 112(d) standards whether the emissions limitations provide an ample margin of safety to protect public health. For MACT standards for HAP "classified as a known, probable, or possible human carcinogen" that "do not reduce lifetime excess cancer risks to the individual most exposed to emissions from a source in the category or subcategory to less than 1-in-1 million," EPA must promulgate residual risk standards for the source category (or subcategory) as necessary to provide an ample margin of safety to protect public health. In doing so, EPA may adopt standards equal to existing MACT standards, if EPA determines that the existing standards are sufficiently protective. EPA must also adopt more stringent standards, if necessary, to prevent an adverse environmental effect, but must consider cost, energy, safety, and other relevant factors in doing so.

Certain records and reports are necessary for the Administrator to confirm the compliance status of sources subject to NESHAP, identify any new or reconstructed sources subject to the standards, and confirm that the standards are being achieved on a continuous basis. These recordkeeping and reporting requirements are specifically authorized by section 114 of the Clean Air Act (42 U.S.C. 7414) and set out in the part 63 NESHAP General Provisions. The recordkeeping and reporting requirements for title V permits are contained in 40 CFR 70.6 and 40 CFR 71.6. Under parts 63 and 70 or 71, the owner or operator must keep each record for 5

years following the date of each occurrence, measurement, maintenance, corrective action, report, or record.

*(b) Use/Users of the Data.*

The information will be used by the delegated authority (State agency, or Regional Administrator if there is no delegated State agency) to ensure that the standards and other requirements are being achieved. Based on review of the recorded information at the site and the reported information, the delegated permitting authority can identify facilities that may not be in compliance and decide which facilities, records, or processes may need inspection.

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

*(a) Nonduplication.*

A computer search of EPA's ongoing ICRs revealed no duplication of information-gathering efforts.

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

The preamble to the proposed rule will provide public notice of the ICR.

*(c) Consultations.*

The proposed amendments were developed in consultation with individual companies, State agencies, and trade associations. The non-EPA persons consulted on the information collection activities are identified in Table 1.

**TABLE 1. PERSONS CONSULTED ON THE INFORMATION COLLECTION ACTIVITIES**

| Contact | Organization | Telephone No. |
|---|---|---|
| Angus Crane | North American Insulation Manufacturers Association | 703-684-0084 |
| Lee Houlditch | Amerrock Products LP | 205-516-9164 |
| John Dolin | Industrial Insulation Group LLC | 281-605-4630 |
| Tom Lund | Isolatek International | 260-356-2040 ext. 328 |
| Christopher Bullock | Rock Wool Mfg Co. | 205-699-6121 |
| Steve Edris | Thermafiber, Inc. | 260-563-2111 ext. 224 |
| John Bolden | USG Interiors | 312-436-5587 |

*(d) Effects of Less Frequent Collection.*

If the relevant information was collected less frequently, the delegated permitting authority (State or EPA) will not be reasonably assured that a facility is in compliance with the standards.

*(e) General Guidelines.*

None of the guidelines in 5 CFR 1320.6 are being exceeded.

*(f) Confidentiality.*

All information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in Title 40, Chapter 1, Part 2, Subpart B--Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 39999, September 28, 1978; 43 FR 42251, September 28, 1978; 44 FR 17674, March 23, 1979).

*(g) Sensitive Questions.*

This section is not applicable because this ICR does not involve matters of a sensitive nature.

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

*(a) Respondents/NAICS Codes.*

Potential respondents under subpart DDD are owners or operators of any existing or new facility engaged in mineral wool production operations. Mineral wool production facilities are primarily classified under NAICS code 327993, Mineral Wool Manufacturing.

There are an estimated 7 facilities that would be subject to the proposed amendments to the NESHAP. No new mineral wool production sources are expected during the 3year period of this ICR.

*(b) Information Requested.*

*(i) Data Items, Including Recordkeeping Requirements.* Attachment 1, Information Requirements, summarizes the data items, including recordkeeping and reporting requirements, for the Mineral Wool Production source category.

*(ii) Respondent Activities.* The respondent activities that will be required by the proposed amendments to the Mineral Wool Production NESHAP are identified in Table 3 and are introduced in section 6(a).

*(iii) Summary of Requirements.* EPA is including in Table 2 an estimate of the burden associated with performing an affirmative defense. EPA is providing this as an illustrative example of the potential additional administrative burden a source may incur to assert in an Affirmative Defense in response to an action to enforce the standards set forth in the applicable subpart.

This illustrative estimate is not considered a duplicate estimate of cost under the General Duty to Minimize Emissions clause under 63.6(e)(1)(i), which states: "At all times, the owner and operator must operate and maintain any affected source, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. Determining whether such operation and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source."

To provide the public with an estimate of the relative magnitude of the burden associated with an assertion of the affirmative defense position adopted by a source, EPA provides an administrative adjustment to this ICR that estimates the costs of the notification, recordkeeping and reporting requirements associated with the assertion of the affirmative defense. EPA's estimate for the required notification, reports and records, including the root cause analysis, associated with a single incident totals approximately $3,141 and is based on the time and effort required of a source to review relevant data, interview plant employees, and document the events surrounding a malfunction that has caused an exceedance of an emission limit. The estimate also includes time to produce and retain the records and reports for submission to EPA. EPA provides this illustrative estimate of this burden because these costs are only incurred if there has been a violation and a source chooses to take advantage of the affirmative defense.

In this source category, it is unlikely that a control device malfunction would cause an exceedence of any emission limit. For reasons explained in the FRN, we have asserted that although a cost for affirmative defense is possible, we believe that malfunctions are unlikely. Thus for these source categories, EPA is not assigning any burden associated with affirmative defense.

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

*(a) Agency Activities.*

The Agency activities associated with the proposed amendments to the Mineral Wool Production NESHAP are provided in Table 4 and are introduced in section 6(c).

*(b) Collection Methodology and Management*.

Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs of the delegated permitting authority. EPA is the permitting authority until the State agency is delegated authority to implement the final amendments to the rule. Therefore, information contained in any report submitted to the Regional Administrator will be entered into the Air Facility System (AFS), which is operated and maintained by EPA's Office of Compliance. AFS is EPA's database for the collection, maintenance, and retrieval of compliance data for approximately 125,000 industrial and government-owned facilities. EPA uses the AFS for tracking air pollution compliance and enforcement by local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and its delegated authorities can edit, store, retrieve and analyze the data.

*(c) Small Entity Flexibility.*

The Small Business Administration defines a small entity engaging in mineral wool production operations as a firm having no more than 500 employees. There are six companies operating the 7 mineral wool production facilities and five of the six companies are small businesses. The proposed amendments would result in significant adverse impacts on one of the small entities; EPA estimates that one producer will experience an annualized cost of greater than six percent of their revenue in the Mineral Wool Production source category. The impacts to most producers affected by this proposed rule are annualized costs of less than one percent of their revenues using the most current year available for revenue data. The proposed amendments would and create new requirements for compliance testing for existing sources and associated notification requirements, recordkeeping, and reporting requirements.

*(d) Collection Schedule*.

The specific frequency for each information collection activity within this request is shown in Table 3 for the Mineral Wool Production Source Category.

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

*(a) Estimating Respondent Burden.*

The annual burden estimates for the proposed amendments to the Mineral Wool Production NESHAP are shown in Table 3. These numbers were derived from estimates based on EPA's experience with other standards. No burden estimates are provided for new sources because no new facilities are expected to become affected sources during the 3year period of this ICR.

*(b) Estimating Respondent Costs.*

The information collection activities for the proposed amendments to the Mineral Wool Production NESHAP are presented in Table 3. Because the data are already collected by respondents as part of normal operations, no respondent development costs are associated with the information collection activities.

(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 private industry workers were taken from the United States Department of Labor, Bureau of Labor Statistics, Occupational Employment and Wages, May 2010 available at http://www.bls.gov/oes/current/naics4_327200.htm. Wages for technical labor are based on "Glass and Glass Product Manufacturing – architectural and engineering," with a total compensation of $36.97/hour. Wages for management labor are taken from "Glass and Glass Product Manufacturing – management, business, and financial," with a total compensation of $47.38/hour. Wages for clerical labor are based on "Glass and Glass Product Manufacturing – production, planning, and expediting clerks," with a total compensation of $20.36/hour. 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 hourly wage rates used to represent respondent labor costs are: technical at $77.64 /hour, management at $99.50 /hour, and clerical at $42.76 /hour.

*(ii) Estimating Capital and Operations and Maintenance (O&M) Costs*. No capital costs or O & M costs are associated with the information collection requirements of the proposed amendments to the Mineral Wool Production NESHAP. The proposed amendments would

require affected facilities to purchase new monitoring systems and conduct new performance testing.

*(iii) Annualizing Capital Costs*. No capital costs associated with the information collection requirements of the proposed amendments to the Mineral Wool Production NESHAP.

*(iv) Affirmative Defense/Root Cause Analysis/Malfunction Costs.* EPA's estimate for a root cause analysis is based on general experience to calculate the time and effort required of a source to review relevant data, interview plant employees, and reconstruct the events prior to a malfunction in order to determine primary and contributing causes. The level of effort also includes time to produce and retain the report in document form so that the source will have it available should EPA or state enforcement agencies ever request to review it.

**TABLE 2. COST ESTIMATE FOR ROOT CAUSE ANALYSIS**

| Personnel | Number of Personnel | Time Requirement (hours) | Total Hours | Hourly Rate ($/hr) | Total |
|---|---|---|---|---|---|
| Technical Personnel | 3 | 6 | 18 | 98.20 | $ 1,768 |
| Managerial Personnel | 2 | 6 | 12 | 114.49 | $ 1,374 |
| Total | 5 | | 30 | | $ 3,141 |

*(c) Estimating Agency Burden and Cost*.

Because the information collection requirements were developed as an incidental part of standards development, no costs can be attributed to the development of the information collection requirements. Because reporting and recordkeeping requirements on the part of the respondents are required under the operating permits rules in 40 CFR part 70 or part 71 and the part 63 NESHAP General Provisions, no operational costs will be incurred by the Federal Government. Publication and distribution of the information are part of the Compliance Data System, with the result that no Federal costs can be directly attributed to the ICR. Examination of records to be maintained by the respondents will occur incidentally as part of the periodic inspection of sources that is part of EPA's overall compliance and enforcement program, and, therefore, is not attributable to the ICR. The only costs that the Federal government will incur are user costs associated with the analysis of the reported information, as presented in Table 4.

The Agency labor rates are from the Office of Personnel Management (OPM) 2010 General Schedule, which excludes locality rates of pay. These rates can be obtained from Salary Table 2010-GS available on the OPM website, http://www.opm.gov/oca/10tables/pdf/gs_h.pdf. The government employee labor rates are $15.63/hour for clerical (GS-6, Step 3), $28.88 for technical (GS-12, Step 1), and $38.92/hr for management (GS-13, Step 5). These rates were increased by 60 percent to include fringe benefits and overhead. The fully-burdened wage rates used to represent Agency labor costs are: clerical at $25.01/hour; technical at $46.21/hour, and management at $62.27/hour.

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

There are an estimated 7 existing facilities that are subject to the Mineral Wool Production NESHAP. No new sources are expected during the next 3 years. Consequently, the average number of mineral wool respondents during the 3-year period of this ICR is 2.33.

For the proposed amendments to the Mineral Wool Production NESHAP, the components of the total annual burden attributable to this ICR include reading the amendments to the NESHAP; conducting the performance testing to demonstrate compliance with the proposed emission limits; and reporting the results of those emissions tests; all other recordkeeping and reporting activities are already accounted for in the ICR for the NESHAP.

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

*(i) Respondent tally.* The bottom line respondent burden hours and costs, presented in Table 3 are calculated by adding person-hours per year down each column for technical, managerial, and clerical staff, and by adding down the cost column. The average annual burden for the recordkeeping and reporting requirements in the proposed amendments to subpart DDD for the 7 existing facilities that are subject to the Mineral Wool Production NESHAP is 106.5 person-hours, with an annual average cost of $85,348. No capital costs would be expected for the proposed amendments.

*(ii) The Agency tally.* The average annual Federal Government cost is $970 for 21.5 hours for the proposed amendments to subpart DDD. The bottom line Agency burden hours and costs presented in Table 4 are calculated by adding person-hours per year down each column for technical, managerial, and clerical staff, and by adding down the cost column.

*(iii) Variations in the annual bottom line.* This section does not apply since no significant variation is anticipated.

*(f) Reasons for Change in Burden.*

EPA provides an adjustment to this ICR that estimates the costs of the notification, recordkeeping and reporting requirements associated with the assertion of the affirmative defense. EPA's estimate for the required notification, reports and records, including the root cause analysis, associated with a single incident totals approximately $3,141 and is based on the time and effort required of a source to review relevant data, interview plant employees, and document the events surrounding a malfunction that has caused an exceedance of an emission limit. The estimate also includes time to produce and retain the records and reports for submission to EPA.

For the purpose of estimating the annual burden in this category, EPA is attributing no instances of affirmative defense. The costs below are illustrative of affirmative defense, which we see sources having no need for, given the technical reasons explained in the FRN.

*(g) Burden Statement*

The average annual respondent burden for the proposed amendments to the Mineral Wool Production NESHAP is estimated at 15 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 in 40 CFR part 63 are listed in 40 CFR part 9.

To comment on the Agency's need for this information the accuracy of the provided burden estimates, and any suggestions for minimizing respondent burden, including through the

use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID No. EPA-HQ-OAR-2010-1041, which is available for online viewing at http://www.regulations.gov, or in person viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room B-102, 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 Docket is (202) 566-1744. An electronic version of the public docket is available at 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, DC 20503, Attention Desk Officer for EPA. Please include Docket ID Number EPA-HQ-OAR-2010-1041 and OMB Control Number 2060-0362 in any correspondence.

**PART B**

This section is not applicable because statistical methods are not used in data collection associated with the proposed rule.

**TABLE 3. ANNUAL RESPONDENT BURDEN AND COST -- AMENDMENTS TO MINERAL WOOL PRODUCTION NESHAP**

| Burden item | (A) Person-hours per occurrence | (B) No. of occurrences per respondent | (C) Person-hours per respondent (C=A*B) | (D) Respondents per year | (E) Technical person-hours per year (E=C*D) | (F) Management person-hours per year (E*0.05) | (G) Clerical person-hours per year (E*0.1) | (H) Cost[a], $ |
|---|---|---|---|---|---|---|---|---|
| 1. Applications | N/A | | | | | | | |
| 2. Surveys and Studies | N/A | | | | | | | |
| 3. Acquisition, Installation, and Utilization of Technology and Systems | N/A | | | | | | | |
| 4. Reporting Requirements | | | | | | | | |
| A. Read instructions[b] | 4 | 1 | 8 | 2.33 | 18.6 | 1 | 1.9 | $1,625 |
| B. Required activities[c] (compliance testing) | $33,143 | 1 | | 2.33 | | | | $77,223 |
| C. Create information[c] | 8 | 2 | 16 | 2.33 | 37.2 | 2 | 3.8 | $3,250 |
| D. Gather existing information | N/A | | | | | | | |
| E. Write report | 8 | 1 | 8 | 2.33 | 18.6 | 1 | 1.9 | $1,625 |
| 5. Recordkeeping Requirements | | | | | | | | |
| A. Read instructions | See 4A | | | | | | | |
| B. Plan activities | N/A | | | | | | | |
| C. Implement activities | N/A | | | | | | | |
| D. Develop record system | N/A | | | | | | | |
| E. Time to enter information | See 4C | | | | | | | |
| F. Time to train personnel | N/A | | | | | | | |
| G. Time to adjust existing ways to comply with previously applicable requirements | N/A | | | | | | | |
| H. Time to transmit or disclose information | 8 | 1 | 8 | 2.33 | 18.6 | 1 | 1.9 | $1,625 |
| I. Time for audits | N/A | | | | | | | |
| **TOTAL LABOR BURDEN AND COST (SALARY)** | | | | | 93 | 4 | 9.5 | $85,348 |
| TOTAL NUMBER OF ANNUAL RESPONSES | 7 | | | | | | | |
| ANNUAL CAPITAL COSTS[d] | | | | | | | | |
| **TOTAL ANNUALIZED COSTS** | | | | | | | | $85,348 |

N/A = not applicable.

[a] This ICR uses the following labor rates: $99.50 for managerial labor, $77.64 for technical labor, and $42.76 for clerical labor. These rates are based on the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment and Wages, May 2010.

[b] There are an estimated 7 existing facilities; no new facilities are expected; the average number expected to read the rule during the 3-yr compliance period is 7 / 3 = 2.33.

[c] The average facility cost for COS, HF, HCl, formaldehyde, phenol, and methanol testing was calculated to be $232,000 / 7 facilities = $33,143.

[d] There would be no capital costs associated with the reporting and recordkeeping requirements of the proposed amendments.

**TABLE 4. ANNUAL BURDEN AND COST TO THE AGENCY ---- AMENDMENTS TO MINERAL WOOL PRODUCTION NESHAP**

| Burden item | (A) Person-hours per occurrence | (B) Occurrences per respondent | (C) EPA person-hours/year (C=A*B) | (D) Facilities per year | (E) Technical person-hours/year (E=C*D) | (F) Management person-hours/year (F=0.05*E) | (G) Clerical person-hours/year (G=0.1*E) | (H) Cost[a], $ |
|---|---|---|---|---|---|---|---|---|
| Report Review: | | | | | | | | |
| Review compliance test reports for COS, HF, and HCl for cupolas and formaldehyde, phenol, and methanol for collection/curing operations[b] | 8 | 1 | 8 | 2.33 | 18.6 | 1 | 1.9 | $970 |
| **TOTAL BURDEN AND COST** | | | | | | | | **$970** |

[a] This ICR uses the following average hourly labor rates: $62.27 for managerial (GS-13, Step 5), $46.21 (GS-12, Step 1) for technical, and $25.01 (GS-6, Step 3) for clerical. These rates are from the Office of Personnel Management (OPM) 2010 General Schedule, which excludes locality rates of pay.

[b] Assumes Agency will review all of the annual reports - including the COS, HF, HCl, formaldehyde, phenol, and methanol emissions testing.

**ATTACHMENT 1. INFORMATION REQUIREMENTS ---- AMENDMENTS TO MINERAL WOOL PRODUCTION NESHAP**

| Requirement | Citation for existing sources | Citation for new sources | General Provisions citation |
|---|---|---|---|
| ***COS, HF, and HCl limit for cupolas*** | § 63.1178(a)(2)(i) | § 63.1178(a)(2)(ii) | |
| ***HF limit for cupolas*** | § 63.1178(a)(3) | § 63.1178(a)(3) | |
| | § 63.1178(a)(4) | § 63.1178(a)(4) | |
| ***Formaldehyde limit for combined collection/curing operations*** | § 63.1179 | § 63.1179 | |
| ***Phenol limit for combined collection/curing operations*** | § 63.1179 | § 63.1179 | |
| ***Methanol limit for combined collection/curing operations*** | § 63.1179 | § 63.1179 | |
| ***Notifications*** | § 63.1191 | § 63.1191 | N/A |
| ***Plans*** | | | |
| Operation and Maintenance Plan | N/A | N/A | N/A |
| ***Records*** | | | |
| Monitoring/inspection information | § 63.1192 | § 63.1192 | N/A |
| ***Reports*** | § 63.1193 | § 63.1193 | 40 CFR 63.10(e) |