**INFORMATION COLLECTION REQUEST**

**SUPPORTING STATEMENT**

**NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS EMISSIONS FOR GROUP IV POLYMERS AND RESINS (40 CFR PART 63, SUBPART JJJ) (PROPOSED RULE)**

**PART A**

**1.0 Identification of the Information Collection**

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

This information collection request (ICR) is entitled NESHAP for Group IV Polymers and Resins (40 CFR part 63, subpart JJJ). The EPA tracking number is 2457.01. The Office of Management and Budget (OMB) number is 2060-NEW.

*(b) Short Characterization.*

This ICR covers information collection requirements in the final rulemaking that amend title 40, chapter I, part 63 of the Code of Federal Regulations (CFR) Subpart JJJ National Emission Standards for Hazardous Air Pollutants: Group IV Polymers and Resins, hereafter, this subpart is referred to as the "Polymers and Resins IV NESHAP". Respondents are owners or operators who will be subject to the new requirements of the Polymers & Resins IV NESHAP, which include an estimated 30 existing facilities that produce thermoplastic resin in the following source categories: Acrylonitirile Butadiene Styrene (ABS), Methyl Methacrylate Butadiene Styrene (MBS), Polyethylene Terephthalate (PET), Polystyrene (PS), and Styrene Acrylonitrile (SAN). Respondents also include any of the 30 facilities who may wish to make use of the new affirmative defense provisions in the amendments to the rule.

The proposed amendments require that that there be no discharge to the atmosphere from any pressure relief device (PRD) on any equipment in HAP service within the process units for the Polymers and Resins IV source category. To ensure compliance with this requirement, facility owners or operators are required to install electronic indicators on each PRD that would be able to identify and record the time and duration of each pressure release and notify operators that a pressure release has occurred.

In addition to requirements for PRD, the amendments also provide requirements for equipment leaks and process contact cooling towers (PCCT) for one facility in the PET continuous TPA high viscosity multiple end finisher subcategory. Under the new requirements, this facility must report certain information when a leak is detected for equipment components in gas/vapor or light liquid service. The facility must also report all cases when the ethylene glycol concentration in the PCCT exceeds the standard. Information related to these new provisions is required to be submitted in the semi-annual reports that are already required by the existing Polymers and Resins IV NESHAP.

The proposed amendments also add provisions for facility owners or operators to use if they wish to assert an affirmative defense to avoid civil penalties for exceedances of the applicable standards that are caused by a malfunction. If these provisions are used, the owner or operator is required to meet certain criteria during the malfunction, notify the Administrator of malfunctions that may cause an exceedance of the emissions standards, and submit a report of the malfunction to the Administrator, to include a root cause analysis of the malfunction, within certain timeframes.

Existing major sources subject to the new PRD requirements will be required to comply with these requirements within three years of the effective date of the standards. Existing major sources may use the affirmative defense provisions upon the effective date of the standards. All new or reconstructed affected sources must be in compliance with the existing and new requirements of the Polyether Polyols NESHAP on the date of startup or the effective date, whichever is later.

The new information collection requirements for existing and new Polymers and Resins IV manufacturing sources 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 has the potential to emit more than 10 tons per year [tpy] of any single HAP and more than 25 tpy of any combination of HAP. The Polymers and Resins IV source category contains major sources of HAP emissions and is included on EPA’s list of categories for regulation. The Polymers and Resins IV NESHAP are based on maximum achievable control technology (MACT).

Certain records and reports are necessary for the Administrator to confirm the compliance status of major sources, 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 in the proposed amendments 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 be in violation of the emission standards due to the emissions of HAP from pressure release events, equipment leaks, and/or exceedances of the ethylene glycol concentration limit in a PCCT. The information will also be used by the delegated authority to determine if a source meets the criteria for affirmative defense. If a source meets the affirmative defense criteria, they may be excused from civil penalties for exceedances of an emission limit.

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

*(a) Nonduplication.*

A computer search of our existing standards and ongoing ICRs revealed no duplication of information gathering efforts. However, certain reports required by State or local agencies may duplicate information required by the standards. In such cases, a copy of the report submitted to the State or local agency can be provided to the Administrator in lieu of the required report.

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

This ICR is related to proposed amendments to the Polymers and Resins IV NESHAP. Comments will be solicited on the proposal package and the proposed ICR.

*(c) Consultations.*

Upon review of the standard, information available and the data, the Agency has determined the recordkeeping and reporting requirements in the “Active” ICR is fully supported and necessary to fulfill the requirements of the Clean Air Act (CAA). It has been determined that no further consultations with industry are necessary to calculate the burden associated with the amendments to the Polymers and Resins IV NESHAP.

*(d) Effects of Less Frequent Collection.*

If the relevant information were collected less frequently, the delegated permitting authority (State or EPA) will not be reasonably assured that a facility is in compliance with the standards. In addition, the EPA's authority to take administrative action would be significantly reduced; section l13(d) of the CAA limits the assessment of administrative penalties to violations which occur no more than 12 months before initiation of the administrative proceeding. Since administrative proceedings are less costly and require use of fewer resources than judicial proceedings, both the EPA and the regulated community benefit from preservation of the EPA's administrative powers.

*(e) General Guidelines.*

The Polymers & Resins IV NESHAP requires that facility owners or operators retain records for a period of 5 years, which exceeds the 3-year retention period contained in the guidelines in 5 CFR 1320.6. The 5-year retention period is consistent with the subpart A General Provisions of 40 CFR part 63 and the retention requirement in the operating permit program under Title V of the CAA. All subsequent general guidelines have been followed and do not violate any of the Paperwork Reduction Act guidelines contained in 5 CFR 1320.6.

*(f) Confidentiality.*

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 JJJ are owners or operators of any existing or new Polymers & Resins IV manufacturing facility that is a major source of HAP emissions, including any facilities who may wish to make use of the new affirmative defense provisions to avoid civil penalties resulting from the exceedance of an emission limit. The source category and affected sources regulated by the Polymers & Resins IV NESHAP are classified under the North American Industrial Classification System (NAICS) code is 325211, for plastic material and resin manufacturing.

The Polymers & Resins IV source category is estimated to consist of 30 existing facilities nationwide, all of which are major sources and would be subject to the major source provisions specified under the Polymers & Resins IV NESHAP. All 30 existing facilities could make use of the new affirmative defense provisions added to the rule. No new major sources are projected during the 3-year 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 Polymers and Resins IV source category.

*(ii) Respondent Activities.* The respondent activities that are required by the new provisions of the Polymers and Resins IV NESHAP are identified in Table 1 (located at the end of this supporting statement) and are introduced in section 6(a).

*(iii) Summary of Requirements.* The proposed amendments to the Polymers and Resins IV NESHAP require that facilities report any pressure device releases, equipment leaks from equipment in gas/vapor or light liquid service, or exceedances of the ethylene glycol concentration limit in a PCCT. The above information is required to be submitted with the next periodic report required by the existing Polymers and Resins IV NESHAP. Facility owners or operators are required to install electronic indicators on each PRD to identify and record the time and duration of each pressure release. For affirmative defense, the primary data item required is a written report which proves that all the criteria for asserting an affirmative defense have been met. The report also must include a root cause analysis of the malfunction and must be submitted within 45 days of the initial occurrence of the emissions exceedance. The owner or operator must notify the administrator within 2 days of the initial occurrence of the malfunction if it wishes to avail itself of an affirmative defense.

EPA is including in Table 3 (located at the end of this supporting statement) 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 $2,188 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.

Of the number of excess emission events reported by source operators, only a small number would be expected to result from a malfunction, and only a subset of excess emissions caused by malfunctions would result in the source choosing to assert the affirmative defense. Thus we believe the number of instances in which source operators might be expected to avail themselves of the affirmative defense will be extremely small. For this reason, we estimate no more than 2 or 3 such occurrences for all sources within a given category over the 3-year period covered by this ICR. For the purpose of this estimate, we are adding two (2) instances of affirmative defense. We expect to gather information on such events in the future and will revise this estimate as better information becomes available.

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

*(a) Agency Activities.*

The Agency activities associated with this ICR are provided in Table 3 (located at the end of this supporting statement) 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. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations. The required report for facilities who wish to avail themselves of the affirmative defense will be used by the delegated authority to determine if a source meets the criteria for affirmative defense. If a source meets the criteria for affirmative defense, they may be excused from civil penalties for exceedances of an emission limit.

EPA is the permitting authority until the state agency is delegated authority to implement the rule. Therefore, information contained in the reports 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.*

A majority of the affected facilities are large entities (e.g., large businesses). However, the impact on the one small entity (i.e., small business) in this source category was taken into consideration during development of the proposed amendments. Due to the proposed type of monitoring equipment to be used, the recordkeeping and reporting requirements are the same for both small and large entities. The Agency considers these requirements the minimum needed to ensure compliance and, therefore, cannot reduce them further for small entities.

*(d) Collection Schedule*.

The specific frequency for each information collection activity within this request is shown in Table 1 for the Polymers & Resins IV 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 Polymers and Resins IV NESHAP are shown in Table 1. These numbers were derived from estimates based on EPA’s experience with this and 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 estimates of total technical-hours per year per source and the number of activities per respondent per year for the new PRD, equipment leaks, and PCCT requirements are listed in Table 1. Information used to estimate the burden resulting from the new requirements is based upon experience with similar information collection requirements in the Polyvinyl Chloride and Copolymers Production NESHAP (Subpart HHHHHHH).

EPA’s estimate for an affirmative defense and root cause analysis is based on 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. The estimates of total technical-hours per year per source for asserting an affirmative defense are listed in Table 1 and are based upon experience with similar information collection requirements in the Sewage Sludge Incineration Units NESHAP (Subpart MMMM).

(i) *Estimating Labor Costs*. Labor rates and associated costs are based on data from the United States Department of Labor, Bureau of Labor Statistics (BLS) from July 2010. The data provides technical, management, and clerical average hourly rates for private industry workers. Wages for technical labor are from the category "chemical plant and system operators" with a mean hourly wage of $24.58/hour. Wages for management labor are from the category "general and operations managers" with a mean hourly wage of $49.96/hour. Wages for clerical labor are from the category “secretaries and administrative assistants” with a mean hourly wage of $19.84/hour. These rates represent salaries plus fringe benefits and do not include the cost of overhead. The wages provided above were increased by a rate of 110 percent to account for overhead. The fully-burdened hourly wage rates used to represent respondent labor costs are: technical at $51.62, management at $104.92, and clerical at $41.66.

*(ii) Estimating Capital and Operations and Maintenance (O&M) Costs*. As part of the proposed amendments to the Polymers and Resins IV NESHAP, facility owners or operators are required to install electronic indicators on each PRD to identify and record the time and duration of each pressure release. The cost of each monitoring system is expected to be $188,913, and the total cost for these capital expenditures for all facilities in the Polymers and Resins IV source category is estimated to be $5,667,390. The operation and maintenance (O&M) costs expected from operating the electronic indicators have not been estimated.

*(iii) Annualizing Capital Costs*. Annualized costs are calculated by multiplying the capital recovery factor by the capital cost. The capital recovery factor is 0.1424 based on an interest rate of 7 percent and an assumed equipment life of 10 years. The total annualized capital cost is $806,910.

*(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.

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

For the proposed amendments related to PRD, respondents include owners or operators of all 30 existing facilities regulated by the Polymers and Resins IV NESHAP. For the proposed amendments related to equipment leaks from components in gas/vapor service or light liquid service and for PCCT, there is only one respondent - the facility in the PET continuous TPA high viscosity multiple end finisher subcategory. Each facility will be required to submit information in the periodic report required by the existing Polymers and Resins IV NESHAP. Periodic reports are required to be submitted two times per year, but the extent of the required information in each submittal is dependent upon the occurrence of an emission discharge from a PRD, an equipment leak, or an emission exceedance from a PCCT.

While all 30 of the existing facilities could make use of the new affirmative defense provisions added to the rule, EPA estimates only two total instances of the use of these provisions over the three year ICR period. Consequently, the average annual number of Pesticide Active Ingredient manufacturing facility respondents during the 3-year period of this ICR is 2.

The average annual burden and cost over the next three years is shown in Table 1. EPA’s estimate for the total burden and cost for a single incident of an affirmative defense is shown in Table 2.

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

*(i) Respondent tally.* The bottom line respondent burden hours and costs, presented in Table 1, 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 annual burden for the recordkeeping and reporting requirements for the 30 existing facilities subject to the proposed amendments to the Polymers and Resins NESHAP is 409 person-hours, with an annual labor cost of $22,087.

*(ii) The Agency tally.* There is no significant burden or cost expected to the agency as a result of the proposed amendments; see Table 3.

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

*(f) Reasons for Change in Burden.*

We are requesting an increase in burden of 409 hours per year due to implementation of the new provisions of this regulation. 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 $2,188 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, EPA is attributing a total of 2 instances of affirmative defense over a three year period across all sources in the category. EPA is using this frequency of 2 events in three years because, of the number of excess emission events reported by source operators, only a small number would be expected to result from a malfunction, and only a subset of excess emissions caused by malfunctions would result in the source choosing to assert the affirmative defense. Thus, we believe the number of instances in which source operators might be expected to avail themselves of the affirmative defense will be extremely small.

*(g) Burden Statement*

The average annual respondent burden is estimated to average 409 hours. 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-2011-0435, 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 3334, 1301 Constitution Ave., NW, Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air Docket is (202) 566-1742. 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 one of the Docket ID Numbers 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 the relevant Docket ID Number (EPA-HQ-OAR-2011-0435) in any correspondence.

**PART B**

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



**ATTACHMENT 1. INFORMATION REQUIREMENTS--NESHAP FOR POLYMERS AND RESINS IV MANUFACTURING**

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| **Requirement** | **Citation for existing sources** | **Citation for new sources** | **General Provisions citation** |
| ***Reports*** |  |  |  |
| PRD requirements in Periodic reports | §63.1335(e)(9) | §63.1335(e)(9) |  |
| Equipment leak requirements in Periodic reports for “multiple-end-finisher” subcategory | §63.1331(c)(4) | §63.1331(c)(4) |  |
| PCCT requirements in Periodic reports for “multiple-end-finisher” subcategory | §63.1329(c) | §63.1329(c) |  |
| Reports of malfunctions that result in an exceedances of the standard for the purpose of affirmative defense | §63. 1310(k) | §63. 1360(k) |  |