

SUPPORTING STATEMENT

Fuel Use Requirements for Great Lakes Steamships

**OMB Control No. 2060-NEW
EPA ICR No. 2458.01**

January 2012

**SUPPORTING STATEMENT
FOR MANDATOR REPORTING OF GREENHOUSE GASES, PROPOSED RULE
EPA ICR No. 2458.01**

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title of the Information Collection

TITLE: Fuel Use Requirements for Great Lakes Steamships

OMB Control Number: 2060-NEW

1(b) Short Characterization/Abstract

The U.S. Environmental Protection Agency (EPA) adopted requirements for marine vessels operating in and around U.S. territorial waters to use reduced-sulfur diesel fuel. This requirement does not apply for steamships, but it would apply for steamships that are converted to run on diesel engines. We are pursuing a new regulatory provision that would allow vessel owners to qualify for a waiver from the fuel-use requirements for a defined period for such converted vessels.

2. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

The Act to Prevent Pollution from Ships (33 U.S.C. 1901–1915) authorizes EPA to regulate the fuel used by marine vessels operating in and around U.S. territorial waters. The regulatory provision allowing vessel owners to use noncompliant fuel requires a minimum level of EPA oversight involving little more than notification that the vessel owner will be exercising the provision.

2(b) Practical Utility/Users of the Data

EPA will use the data to oversee compliance with regulatory requirements, including communicating with affected companies and answering questions from the public or other industry participants regarding the waiver in question.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

3(a) Nonduplication

This information is not available from any other source.

3(b) Public Notice Required Prior to Information Collection Request (ICR) Submissions to OMB

As part of the Federal Register notice describing this regulatory provision, we are inviting comments on the information collection

In compliance with the Paperwork Reduction Act (44 USC 3501 *et seq.*), EPA submitted this ICR for the proposed rule to the Office of Management and Budget (OMB) for review and approval.

3(c) Consultations

In developing the proposed rule, EPA met with the vessel operators that are likely to use this regulatory provision.

3(d) Effects of Less Frequent Collection

The information collection does not involve repeat submissions.

3(e) General Guidelines

This collection of information is consistent with all OMB guidelines under 5 CFR 1320.6. EPA's proposal to allow a variety of electronic and hard copy formats for records allows flexibility for facilities to use a system that meets their needs and is consistent with other facility records maintenance practices, thereby minimizing the recordkeeping burden.

3(f) Confidentiality

We would expect to make case-by-case determinations if vessel owners request that their submission be treated as confidential business information, consistent with applicable regulations in 40 CFR part 2.

3(g) Sensitive Questions

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

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

The respondents in this proposed information collection include owners of steamships operating on the Great Lakes.

4(a) Respondents/North American Industrial Classification Systems (NAICS) Codes

All of the expected respondents are owners of steamships operating on the Great Lakes, which are represented by NAICS Codes 483113 and 483114.

4(b) Information Requested

The following regulatory provision describes the written notification vessel owners would submit to us:

The vessel owner must notify us regarding the intent to use this provision. The notification must include a description of the vessel and a summary of the project, including the expected timeline, and other relevant information.

This is not intended to be a formal or detailed submission.

5. THE INFORMATION COLLECTED – AGENCY ACTIVITIES, COLLECTION METHODS, AND INFORMATION MANAGEMENT

5(a) Agency Activities

EPA will receive the submission and respond to questions as appropriate.

5(b) Collection Methodology and Management

Manufacturers would submit data electronically. We will maintain records of these files.

5(c) Small Entity Flexibility

None of the potentially affected companies are small businesses.

5(d) Collection Schedule

There is no collection schedule.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

This section presents EPA's estimates of the burden and costs to respondents associated with the activities described in Section 4 as well as the Federal burden hours and costs associated with the activities described in Section 5(a). EPA estimates that, over the three years covered by this request, the total respondent burden associated with this reporting would average 14 hours per year and the cost to all respondents of the information collection would average \$988 per year.

Section 6(a) of this ICR provides estimates of burden hours for all respondent types. Section 6(b) contains estimates of respondent costs for the information collection. Section 6(c) summarizes Federal burden and costs. Section 6(d) describes the respondent universe and the

total burden and cost of this collection to respondents. Section 6(e) presents the bottom line burden and cost. The burden statement for this information collection is in Section 6(f).

6(a) Estimating Respondent Burden

EPA estimates that the total annual burden to all affected entities would be 14 hours per year over the three years covered by this information collection. Based on information obtained in 2009, EPA determined that there are six companies operating 12 steamships affected by this collection. EPA estimates that 2 respondents will submit a report each year.

6(b) Estimating Respondent Costs

Costs to respondents associated with this information collection include labor costs. Vessel owners will incur no non-labor costs (e.g., the cost of purchasing and installing equipment or contractor costs associated with providing the required information).

To calculate labor costs, EPA estimated technical, managerial, clerical, and legal loaded labor rates using labor rates from the Bureau of Labor Statistics¹ and applying a 60% loading factor.² The labor rates are: \$71.03 for managers; \$55.20 for Engineers/technicians; \$29.65 for clerical staff, and \$101.00 for legal staff.

EPA estimates that the annual cost to each engine manufacturer would average 7 hours and \$494 over the three years covered by this information collection. This is based on an estimated effort involving 30 minutes for managers, 2 hours for engineers, and 1 hour for attorneys. Submitting this information will involve no capital costs and no O&M costs.

These time estimates allow time for reviewing the rule, gathering the specified information, and coordinating the message with management and legal representatives.

6(c) Estimating Agency Burden and Cost

This section describes the burden and cost to the Federal government associated with this information collection. Federal activities under this information collection include EPA oversight of the reporting program.

EPA burden and cost

We anticipate no EPA activities associated with this submission other than noting that fact that the request has been received.

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

¹ These rates reflect adjustments of the manufacturing sector's average productivity increase of 3.7% per year for 6 quarters between 2006 Q2 and 2007 Q4, based on the estimate released by the Bureau of Labor Statistics in March 2008.

² The ICR Handbook (November 2005) recommends using a multiplier of 1.6 to account for benefits and overhead related to government wages; this is considered a conservative estimate (potentially high) for the private sector.

We expect to receive a waiver request from six vessel owners.

6(e) Bottom Line Burden Hours and Costs

The estimated bottom line burden hours and costs are 14 hours per year and \$988 per year.

6(f) Burden Statement

The respondent reporting burden for this collection of information is estimated to be an average of 14 hours and \$988 per year. The average annual burden to EPA for this period is estimated to be 0 hours. The annual public reporting and recordkeeping burden for this collection of information is estimated to average 3.5 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9.

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 rule under Docket ID Number EPA-HQ-OAR-2011-0928, which is available for online viewing at <http://www.regulations.gov>, or in person viewing at the Air and Radiation docket in the EPA Docket Center (EPA/DC), EPA West Building, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation docket is (202) 566-1742. This website 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. Include the EPA Docket ID Number EPA-HQ-OAR-2011-0928 and OMB Control Number 2060-NEW on any correspondence.