**SUPPORTING STATEMENT**

**FOR THE**

**PART 71 FEDERAL OPERATING**

**PERMIT PROGRAM**

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Operating Permits Group

Air Quality Policy Division

Office of Air Quality Planning and Standards

Office of Air and Radiation

United States Environmental Protection Agency

Research Triangle Park, North Carolina 27711

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1. IDENTIFICATION OF THE INFORMATION COLLECTION

## 1(a) Title of the Information Collection Request (ICR)

This analysis is titled: “Supporting Statement for the Part 71 Federal Operating Permit Program” It fulfills the U.S. Environmental Protection Agency’s (EPA’s) requirements under the Paperwork Reduction Act (PRA) to determine, report and periodically update the regulatory burden associated with the Federal Operating Permit Program, codified in title 40 of the Code of Federal Regulations (40 CFR) part 71. It has been assigned EPA tracking number 1713.10 and Office of Management and Budget (OMB) control number 2060-0336.

## 1(b) Short Characterization/Abstract

The part 71 program is a federal operating permit program implemented by the EPA (or a delegate agency) for sources located in areas where there is no state, local or tribal program, such as in Indian country; offshore areas where the Outer Continental Shelf (OCS) and Deep Water Ports Act (DWPA) regulations apply; where there is a deficient state or local (part 70) permit program; and where the EPA has objected to a particular part 70 permit and taken over permitting because the state failed to adequately resolve the objection. Title V of the Clean Air Act (CAA or “the Act”) imposes on state or local permitting authorities (agencies), the duty to develop, administer and enforce operating permit programs which comply with title V and requires the EPA to administer and enforce a permit program when state, local or tribal agencies do not establish such a program, or where they establish such a program but they fail to perform their duties consistent with title V. Section 502(b) of the Act requires the EPA to promulgate regulations setting forth provisions under which state, local or tribal agencies will develop operating permit programs and submit them to the EPA for approval. Pursuant to this section, the EPA promulgated 40 CFR part 70 on July 21, 1992 (57 FR 32250) which specifies the minimum elements of state operating permit programs.

### 1(b)(i) Federal program where there is no state, local or tribal program

Pursuant to regulations promulgated by the EPA on February 19, 1999 (64 FR 8247), the EPA has authority to establish part 71 programs within Indian country, and the EPA began administering the program in Indian country on March 22, 1999. Since many Indian tribes lack the resources and capacity to develop operating permit programs under part 70, the EPA will administer and enforce part 71 programs in the areas that comprise Indian country in order to protect the air quality of areas under tribal jurisdiction.

The EPA intends to protect tribal air quality through the development of implementation plans, permit programs and direct assistance to tribes in developing comprehensive and effective air quality management programs. The EPA will consult with tribes to identify their particular needs for air program development assistance and will provide ongoing assistance as necessary. There are approximately 130 sources in Indian country with permits at the beginning of the ICR period and we expect to permit an additional 6 such sources by the end of this ICR period (April 2015). This is an increase from the last ICR renewal, due to an increase in the estimate of the number of major sources expected in Indian country.

The EPA is the permitting authority for sources located beyond 25 miles (40 km) of the states’ seaward boundaries under the Outer Continental Shelf Lands Act (OCS sources), and the provisions of part 71 apply to the permitting of those sources, as well. Using data from the Department of the Interior, Bureau of Ocean Energy Management, the EPA estimates that there are currently six OCS sources with part 71 permits and as many as nine additional OCS sources that may seek part 71 permits during the period of this ICR renewal. Our estimates of the number of OCS sources has changed through the years, but there has been increasing interest in developing offshore oil and gas and alternative energy resources and because of this better information has recently become available. Thus, this is a change from the last ICR update, where the EPA assumed there might be up to three OCS sources.

Deepwater Port sources (DWPA sources) are fixed or floating structures that are located beyond state seaward boundaries, intended for the transportation, storage and handling of oil or natural gas (offshore LNG terminals) and alternative energy projects. An offshore source may be either an OCS or a DWPA source – it may not be both. Because DWPA sources are required to be treated as if they are located in an “area of exclusive federal jurisdiction within a State,” the EPA must issue the title V permit for them [see section 1518(a)(1) of the DWPA]. Note that the previous ICR estimated one DWPA source and three seeking permits for a total of four such sources. Using updated data from the U.S. Coast Guard, Deepwater Ports Standards Division, the EPA estimates we have issued 6 permits to such sources by the beginning of the ICR period and that we will issue as many as 10 additional part 71 permits to such sources by the end of this ICR renewal, bringing the total included in this analysis up to 16.

### 1(b)(ii) Federal program as a backstop for deficient state programs

Section 502(i)(4) of the Act requires the EPA to promulgate, administer and enforce a title V program if the EPA makes a determination that a state or local permitting authority is not adequately administering or enforcing its EPA-approved title V permitting program. This requirement is implemented through regulations promulgated by the EPA on July 1, 1996 (61 FR 34202), specifically 40 CFR 71.4(c) and 71.10(b)(1). The process described in these regulations can take up to 2 years after a formal finding by the EPA is published in the *Federal Register* that the state part 70 program is deficient in its implementation or enforcement (this notice is called a “notice of deficiency” or “NOD”).

For the 3-year period covered by this ICR, it is unlikely that any state or local permitting program under part 70 will be replaced by a part 71 program administered by the EPA, and thus this ICR renewal does not include such scenarios. There are currently no NODs in place at this time, and due to the maturity of the part 70 programs we believe it is unlikely the EPA will take over additional part 70 permits in this manner during the period of this ICR.

### 1(b)(iii) Federal program for deficient state programs

Section 505(c) of the Act provides that if a permitting authority fails to submit a permit to the EPA that satisfies an EPA objection, then the EPA shall issue a permit that meets the requirements of the Act. The part 71 rules implement this provision by providing that if the state or local permitting authority fails to satisfy an EPA objection to a part 70 permit then the EPA shall issue a part 71 permit instead. There is currently one part 70 source that has been issued a part 71 permit for this reason, and we do not expect any additional part 71 sources for this reason during the period of this ICR

2. NEED FOR AND USE OF THE COLLECTION

## 2(a) Need/Authority for the Collection

When the EPA is the permitting authority under title V, a source subject to the program must prepare an application and submit it within 1 year of becoming subject (CAA section 503). The EPA must then issue the permit within 18 months of receiving a complete application (CAA section 503(c)) and thereafter administer (including revising, reopening and enforcing the permit terms, as needed) and renew such permits at no more than 5-year intervals (CAA section 502(b)(5)). Sources must periodically (no less often than annually) certify that they are in compliance with applicable requirements and promptly report deviations from permit requirements to the permitting authority (CAA section 503(b)(2)), and permits are required to set forth requirements for sources to conduct monitoring and reporting to assure compliance with permit terms and conditions (CAA section 504(b)). The permit and all information submitted by a source shall be available for public review except for confidential information which will be protected from disclosure (CAA section 503(e)), and the public shall be given public notice of, and an opportunity for comment on, permit actions (CAA section 502(b)(6)). A copy of sections 502 through 504 of title V of the Act are in Attachment 1.

## 2(b) Practical Utility/Users of the Data

For the EPA to carry out its requirement under the Act to issue part 71 permits in areas where there is no approved part 70 program or where a state will not resolve an EPA objection to a part 70 permit, the EPA must receive and review permit applications, issue initial and renewal permits, issue permit revisions and receive and review compliance and monitoring reports submitted by sources. For the EPA to carry out its required oversight functions, where the EPA has delegated its authority to issue part 71 permits to a state or tribe (delegate agency), the EPA must review proposed permits of all types developed by the delegate agency, review certain information submitted by the source to the delegate agency, and require the submittal of certain information concerning program implementation from the delegate agency.

## 2(c) Caveats and Considerations

The information included in this ICR is based upon the best data available to the Agency at this time. However, inconsistencies in permitting authority reporting techniques, incomplete data sets, and sampling limitations imposed upon the Agency by the PRA necessitated a certain amount of extrapolation and “best-guess” estimations by permitting authority and Agency experts. Consequently, the reader should not consider the conclusions to be an exact representation of the level of burden or cost that will occur during the 3 years of this ICR. Instead, this ICR should be considered a directionally correct assessment of the impact the Federal Operating Permit Program will have over the next 3 years.

Throughout this ICR, the reader will observe estimated values that show accuracy to the single hour or dollar. However, reporting values at the single unit level can be misleading. In most situations, the proper way to present estimated data would be to determine an appropriate level of precision and truncate values accordingly, usually in terms of thousands or millions of units. For instance, a spreadsheet generated estimation of $5,456,295 could be presented in the text as $5.5 (millions) or $5,456 (thousands). One problem with such an approach is the loss of data richness when the report contains a mixture of very large and very small numbers. Such was the case with this ICR, where source values are consistently in the millions and federal values in the tens of thousands. Consequently, to avoid the loss of information through rounding, this ICR reports all values at the single unit level and reminds the reader that there is no implied precision inherent in this style of reporting.

3. NON-DUPLICATION, CONSULTATIONS AND OTHER COLLECTION CRITERIA

## 3(a) Non-Duplication

The need for the data required by the part 70 and part 71 operating permits programs has been well documented in prior ICRs for both programs. While much of the information requested under this ICR existed prior to the creation of the operating permit program, an operating permit is a compilation of existing requirements; the purpose being to bring all requirements applicable to a source into one document. The intent of this compilation is to (1) resolve any questions of applicability at the time of permit issuance, (2) provide certainty to sources as to their obligations and (3) provide the public access to a source’s obligations and compliance status. The Agency has no leeway to not require such previously existing information under this ICR since consolidation of the information into the operating permit and providing public access is the whole purpose of the statute. To the extent that similar information was previously collected (e.g., state permits under state implementation plans), the part 71 program may replace those activities and avoid duplication of efforts

## 3(b) Public Notice Required Prior to ICR Submission to OMB

For any existing rule, section 3507(g) of the PRA limits the length of time for which the Director may approve a collection of information to 3 years. On September 12, 2007, OMB approved the ICR renewal for part 71 (EPA tracking number 1713.06) for 36 months, through September 30, 2010. On April 22, 2009, OMB approved a revision to the previously approved collection related to the final rule for Flexible Air Permits (EPA tracking number 1713.09), and as part of that approval OMB extended the expiration date of the ICR to April 30, 2012. This ICR is a renewal of the September 2007 ICR.

Except for information collection in notices of proposed rules or those exempted under the emergency processing provisions of 44 U.S.C. § 3507(j), the PRA requires the EPA to solicit comment on each proposed information collection, including the renewal or modification of any existing ICR. On December 14, 2011 (76 FR 77822), the EPA published a notice soliciting comment on an analysis of burden for the part 71 program for the 3-year period of this ICR renewal (i.e., May 1, 2012 to April 30, 2015). A copy of the December 2011 notice is included in this ICR as Attachment 2. No public comments were received.

## 3(c) Consultations

The current ICR was prepared using data on the numbers of sources and permits that are updated on a semi-annual by basis by each of the EPA’s 10 Regional Offices. It is these EPA Regional Offices where the part 71 permitting activities are carried out by the EPA. The actual rates of permit issuance and permit renewal are reported by the Regional Offices into an EPA database every 6 months. The 3 or 4 years of data in this database was reviewed for purposes of estimating existing sources and permits and the backlog of initial and renewal permits. Also, we solicited input from the National Association of Clean Air Agencies (NACAA) on the draft ICR in late 2011, but the organization and its members declined to provide input at this time.

Concerning prior consultations, prior to renewal of the title V ICRs in 2007, the EPA contacted NACAA (then known as the State and Territorial Air Pollution Program Administrators and the Association of Local Air Pollution Control Officers [STAPPA/ALAPCO]), and during a conference call the EPA received input on the draft ICRs that were released for public comment on February 2, 2007. Consistent with NACAA’s input during that consultation, changes were made to burden estimates for certain activities performed by permitting authorities and the EPA for the part 70 and part 71 ICRs. Also note that the supporting statement for the part 70 ICR renewal provides more detail on previous consultations with state and local permitting authorities that provided information we have used to develop burden estimates for part 71 that we continue to rely on for purposes of this ICR renewal.

The 2007 ICR renewal, the EPA discussed two other EPA activities that it thought would yield additional title V burden information. One of these activities was a nationwide, comprehensive evaluation of the majority of title V operating permits programs, the first round of which was completed September 2006, and which are on-going. The second activity was a stakeholder effort to assess all aspects of the title V program, led by the Clean Air Act Advisory Committee. (This effort is known as the Title V Task Force.) The first activity, the state program evaluations, was not specifically designed to provide information for purposes of estimating burdens and cost of title V programs, but it did result in information that generally supports the assumptions of the prior ICRs, including those based on input from state and local permitting authorities. This resulted in only one change to the assumptions for permitting authorities, which did not lead to significant changes in overall burden for permitting authorities. The second activity, the Title V Task Force, resulted in recommendations on ways that the EPA could improve the effectiveness of the title V programs, such as through rulemaking or the issuance of guidance, but it did not result in any information useful for estimating burdens for this ICR, and no guidance or rulemaking resulting from this effort are effective at this time. (For more on the Title V Taskforce, see <http://www.epa.gov/oar/oaqps/permits/taskforce.html>.)

Also, Executive Order 13563, “Improving Regulation and Regulatory Review,” (76 FR 3821, January 18, 2011) requires each federal agency to develop a plan to periodically review its existing significant regulations to determine whether they should be modified, streamlined, expanded or repealed so as to make the agency’s regulatory program more effective or less burdensome in achieving the regulatory objectives. The EPA published a plan for meeting this order in August 2011. Under the EPA’s plan, the title V permit program requirements are identified for early action to potentially simplify and clarify implementation requirements for industry, the public and government agencies. Such regulatory review for title V is likely to include consideration of the recommendations of the Title V Task Force; however, at this time it is too early to speculate on the results of the EPA’s review, and thus, too early to take such changes into account for the purpose of this ICR renewal.

## 3(d) Effects of Less Frequent Collection

In general, collection of the information included in this ICR occurs once per activity (e.g., permit application or permit issuance). Periodic activities include a semi-annual compliance monitoring data report and an annual compliance certification from each source required by CAA sections 503(b)(1) and (2), respectively. The EPA has no leeway to require less frequent reporting.

## 3(e) General Guidelines

The OMB’s general guidelines for information collections must be adhered to by all federal agencies for approval of any rulemaking's collection methodology. The recordkeeping and reporting requirements contained in the part 71 operating permits regulations do not exceed any of the OMB guide­lines con­tained in 5 CFR 1320.5, except for the guideline which limits reten­tion of records by respondents to 3 years. Part 71 requires retention of all monitoring data and support information and all permit applications, proposed permits and final permit records for a period of 5 years. These records are necessary to fulfill the intent of title V to assure compliance with applicable requirements. Questions regarding the obligations of a source and its status of compliance can be resolved through such records. In addition, 28 U.S.C. 2462 specifies 5 years as the general statute of limitations for federal claims in response to violations by regu­lated entities. The decision in *U.S. v. Conoco, Inc.,* No. 83-1916-E (W.D. Okla., January 23, 1984) found that the 5-year general statute of limitations applies to the Act.

## 3(f) Confidentiality

All information related to the permitting of sources under this program and related to compliance monitoring is required by section 503(e) of the Act to be subject to public review at all times. Information entitled to protection under 114(c) of the Act may be required to be submitted directly to the EPA. Such information will be stored in the EPA’s Confidential Business Information office.

## 3(g) Sensitive Questions

The consideration of sensitive questions (i.e., sexual, religious, personal or other private matters) is not applicable to the part Federal Operating Permit Program. The information gathered for purposes of establishing a part 71 permit for a source do not include personal data on any owner or operator.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

## 4(a) Respondents/ Standard Industrial Classification (SIC) Codes

Respondents to this information collection come from two groups: permitting authorities that have been delegated authority to implement the part 71 program by the EPA (i.e., delegate permitting authorities) and sources required to obtain part 71 operating permits.

There is currently one delegate permitting authority, which is the Navajo Nation Environmental Protection Agency (NNEPA). We do not anticipate any additional agencies becoming delegate permitting authorities during the period covered by this ICR renewal.

Under title V, all major stationary sources must obtain an operating permit.[[1]](#footnote-1) Some non-major sources may also be subject to the program if they are subject to a federal standard such as a New Source Performance Standard (NSPS) pursuant to section 111 of the Act or a National Emissions Standard for Hazardous Air Pollutants (NESHAP) pursuant to section 112 of the Act. Some of these sources have been exempted from the program.

Source respondents to this information collection are those sources subject to title V permitting that are located where the EPA or a delegate agency is the permitting authority (e.g., in Indian country, offshore [OCS and DWPA sources], and where there are unresolved EPA objections to part 70 permits). For the purposes of this ICR, the Agency identified the following existing part 71 sources: 130 in Indian country, 6 OCS sources, 6 DWPA sources, and 1 source due to unresolved objection of a part 70 permit. By the end of the period covered by this ICR, there may also be up to an additional 6 permits issued due to economic growth in Indian Country, up to 9 additional OCS sources and up to 10 additional DWPA sources subject to permitting under part 71. The EPA assumes there is one source subject to part 71 because of an EPA objection to part 70 permits (assuming the state will not adequately resolve the objection). The Regulatory Impact Assessment (RIA) for the GHG Tailoring rule estimated there would be up to 552 new sources nationally due solely to emissions of GHG, and for purposes of this ICR renewal, we estimate there will be up to 6 new GHG sources subject to part 71. Thus, this analysis includes a total of 143 sources currently with part 71 permits and an increase of 31 new sources over the ICR period, for a permitted total of 174 sources by the end of the ICR period (April 2015).

For this update, the EPA is not assuming that we will take over any entire state permitting programs due to findings of program deficiencies. All NODs for state programs have been resolved to the EPA’s satisfaction and no part 71 permits were issued in response to such programs deficiencies in the interim. Also, at this time the EPA has no active NODs and we believe it unlikely that we will be issuing any permits for this reason during the period covered by this ICR renewal.

The SIC codes and North American Industrial Classification System (NAICS) codes for the part 71 sources located in Indian country are listed below in Table 1. This list was compiled for the 2007 ICR renewal, but we believe that it remains representative of the types of sources with part 71 permits.

**Table 1. SIC and NAICS Codes for Part 71 Sources in Indian Country**

**(as of October 30, 2006)**

| **SIC Code** | **NAICS Code** |
| --- | --- |
| 1021 | 212234 |
| 1221 | 212111 |
| 1311 | 211111 |
| 1321 | 211112 |
| 1389 | 213112 |
| 2421 | 321 |
| 2431 | 32191 |
| 2436 | 321212 |
| 2493 | 321219 |
| 2819 | 325 |
| 2842 | 325612 |
| 2875 | 325314 |
| 2879 | 32532 |
| 2899 | 325 |
| 3341 | 331 |
| 3354 | 331316 |
| 4911 | 2211 |
| 4922 | 48621 |
| 4925 | 22121 |
| 4953 | 562 |
| 4961 | 22133 |
| 5171 | 42271 |
| 7011 | 7211 |
| 9711 | 92811 |

## 4(b) Information Requested

All activities associated with EPA issuance of operating permits are information collection activities and are reflected in this ICR. The following are lists of the data items submitted by sources and permitting authorities for ICR purposes under part 70. These activities represent the Agency’s best representation of the burdens experienced by sources and permitting authorities for part 70 and 71 requirements.

### 4(b)(i) Data items, including recordkeeping requirements

**Under Operating Permits rules, the following data items must be submitted by delegate permitting authorities to the EPA:**

* Applications for permits, permit revisions, and permit renewals
* Draft / proposed permits, permit revisions, or permit renewals
* Final permits
* Annual reports of enforcement activities

For this analysis, the submittals above are only necessary for the small fraction of permit handled by the one delegate agency (14 permits). The majority of permits will be issued, implemented, and enforced by the EPA as permitting authority (160 permits).

**Under Operating Permit rules, the following data items must be submitted by sources to permitting authorities:**

* Applications for permits, permit revisions, and permit renewals
* Semi-annual periodic monitoring reports
* Annual compliance certification reports

When the EPA is the permitting authority, sources submit these data directly to the EPA. When there is a delegate agency, these data will be submitted directly to the delegate agency. Attachment 1 includes the statutory requirements for reference purposes.

### 4(b)(ii) Respondent activities

The following describes the information collection activities required of delegate permitting authorities and sources. In all cases, the activities for the delegate permitting authority match those for state and local permitting authorities under the part 70 operating permits program and the activities listed for source-level activities match those for sources under the part 70 programs.

**DELEGATE PERMITTING AUTHORITY ACTIVITIES**

* **Program administration:** Responding to inquiries about the program, developing internal and external program guidance, developing rules, forms, and other mechanisms to implement the program, planning, attending program training, permit fee collection, providing source training, attending meetings and conferences, providing public education, and other program related activities.
* **Permit application review,** including discussions with a source concerning the completeness of the permit application, review of applications for completeness and technical approach, and requests for additional information, when necessary.
* **Draft permit preparation,** including contact with the source to clarify the specific requirements that apply, drafting the “statement of basis,” drafting gap-filing monitoring, when necessary, and drafting permit terms and conditions to reflect existing requirements.[[2]](#footnote-2)
* **Comment period notification:** Providing notice to the public, and affected states of the comment period on a draft permit (for initial permit issuance, permit renewal and significant permit modification). Affected state notification is also required for minor permit modification.
* **Public hearing administration:** Administering a public hearing, when appropriate, for initial permit issuance, permit renewal and significant permit modification.
* **Interaction with the EPA** on a proposed permit, including negotiations, re-drafting and formal EPA objections (including those attributable to public petitions).
* **Response to public comments:** Analyzing public comments and revising the draft permit accordingly, when appropriate.
* **Permit issuance:** Formalizing permits, placing copies of final permits on public websites, entering information into the EPA’s permit website (Air Facility System) and providing copies to sources.
* **General permits** **administration** (Burden for issuing general permits included with other permit issuance burden).
* **Permit revision**: Modifying permits to reflect changes at the source otherwise prohibited by the permit, including public participation and affected state review, when needed.
* **Permit renewal:** Updating the permit to reflect changes at the source not captured through permit revision (includes reviewing application, drafting changes, public notice, public hearings (when needed), responding to public comments (when needed) and permit issuance).
* **Monitoring and compliance certification:** Reviewing deviation and semiannual monitoring reports and annual compliance certification reports required by part 70, and any enforcement activities related to such reviews.
* **Annual reporting:** Preparing and submitting to the EPA annually a report of the state's enforcement activities.

**SOURCE-SPECIFIC ACTIVITIES**

* **Permit application preparation**, including internal meetings, permitting authority discussions, management and legal department involvement, responsible official certification, contractor services.
* **Draft permit development**: Interaction with the permitting authority on draft permit development.
* **Gap-filling development**: Development of periodic monitoring gap-filling, if applicable.
* **Public hearing participation.**
* **Operate gap-filling periodic monitoring:** Operation of monitoring equipment and the taking and keeping of records, where necessary.
* **Monitoring reports**: Preparing semi-annual monitoring data reports, including data analysis, responsible official certification, and report submission (annual burden for both reports). Includes preparing and submitting annual compliance certification.
* **Permit revisions**: Preparing applications for permit revisions.
* **Permit renewal**: Preparing permit renewal applications.
* **Other activities associated with permit renewal**, including discussions with permitting authority and public hearing participation.

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

## 5(a) Agency Activities

In its role as the permitting authority for most of the sources subject to the part 71 program, the EPA carries out the same activities listed above for delegate permitting authorities, with the exception of those activities that involve interaction between the delegate permitting authorities and the EPA. When overseeing a delegate agency, the EPA carries out the activities listed below.

**EPA OVERSIGHT ACTIVITIES**

* **Review proposed permits** and permit revisions to determine if they provide for compliance with all applicable requirements.
* **Review monitoring** provisions of proposed permits or permit revisions to see if they contain applicable requirements or to add periodic monitoring if needed.
* **Consult** with the delegate agency on any problems detected in the proposed permit or permit revision including interaction related to fact finding on permit petitions.
* **Other Program Oversight:** review annual reports of enforcement activities, develop formal EPA responses to public petitions, and review changes to delegated programs.

## 5(b) Collection Methodology and Management

For the part 71 program, when the EPA is the permitting authority, the EPA will receive data from sources in much the same manner as that established for sources reporting to state and local agencies under part 70. Thus, when the EPA is the permitting authority, we will retain copies of each permit application (including any application for permit modification), each draft permit, and each final permit. When a delegate agency is the permitting authority, the delegate agency will receive copies of these documents.

## 5(c) Small Entity Flexibility

Title V provides few ways to mitigate the effects of operating permit regulations on small entities. Under section 502(a) of the Act, the Agency has exempted or deferred applicability of title V for those non-major source categories for which compliance with title V will be impractical, infeasible or unnecessarily burdensome. For example, we exempted a large number of small sources in a December 19, 2005 final rule (70 FR 75320). The Agency has not analyzed how many of these non-major sources will be small businesses, but believes that a large percentage may fall under that definition.

In accordance with the analytical requirements established under the Regulatory Flexibility Act (RFA) and the Small Business Regulatory Enforcement Fairness Act (SBREFA), the Agency has determined that there are no adverse effects to be identified *vis-à-vis* small entities and small businesses. While this ICR renewal represents an increase in burden compared to the 2007 ICR renewal, the increase is due to a change in the EPA’s estimate concerning the number of permits expected to be issued, which better reflects actual implementation experience rather than any new information collection requirements.

## 5(d) Collection Schedule

Items identified in section 4(b)(i) are listed below with their schedule for submission.

**Permitting Authorities (submitted to the EPA):**

* Application for permits, permit revision and permit renewal should be submitted to the EPA with the proposed permit or permit revision.
* Draft/proposed permits, permit revisions or permit renewals should be submitted when the state wants to commence the EPA review period of the proposed permit or permit revision.
* The final permit should be submitted to the EPA soon after it is issued, but there is no deadline in part 71 for this submission.
* The annual report of enforcement activities is submitted to the EPA annually, but part 71 does not specify a date.

**Sources (submitted to permitting authority):**

* New permit applications are due within 1 year after a source becomes subject to the program.
* Permit revision applications are submitted by a source when it wishes to make a change to its permit. There is no schedule for these submissions in that they are triggered by modifications by the source.
* Permit renewal applications are due at least 6 months prior to expiration of the permit.
* Semi-annual monitoring reports are due to be submitted to the permitting authority twice a year on dates specified by the permitting authority.
* Annual compliance certification reports are due annually on a date specified by the permitting authority.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

## 6(a) Estimating Respondent Burden

The following tables show the burden estimates for each activity described above in section 4(b)(ii) for sources and permitting authorities. These burden estimates are all taken from the approved ICR for the part 70 program. Table 2 displays the expected source burden for when either the EPA or a delegate agency is the permitting authority. Table 3 displays the expected burden for all of the specific tasks necessary for any permitting authority (i.e., a delegate agency or the EPA).

The Agency derived its estimates in Tables 2 and 3 from previous consultations with fewer than nine respondents from the regulated community on the burdens and costs of the permit programs; data collected by the EPA from permitting authorities on the numbers of permits issued, renewed and modified in the course of program administration; and based on our analysis of data submitted within the context of state and local permitting program evaluations. In the initial ICR for part 71, the Agency assumed sources are indifferent (from an effort perspective) between reporting to the federal government and reporting to a state permitting authority.[[3]](#footnote-3) Consequently, Table 2 is the same for both part 70 and this ICR.

**Table 2. Average Source Burden by Activity**

|  |  |
| --- | --- |
| **Activity** | **Burden per Source or Permit** |
| Prepare Initial Permit Application | 300 hrs |
| Draft Permit Interaction | 40 hrs |
| Gap-filling Monitoring Development (50% of permits) | 40 hrs |
| Public Hearing Participation (2% of permits) | 10 hrs |
| Operate Gap-filling Periodic Monitoring (50% of permits) | 200 hrs / yr |
| Prepare Monitoring Reports and Compliance Certification | 80 hrs / yr |
| Permit Revisions  Significant Permit Modifications (10% of Permits)  Minor Permit Modifications (50% of Permits)  Administrative Amendments (50 % of Permits) | 80 hrs  40 hrs  8 hrs |
| Prepare Permit Renewal Application | 200 hrs |
| Other Permit Renewal Activities | 20 hrs |

**Table 3. Average Permitting Authority Burden by Activity**

|  |  |
| --- | --- |
| **Activity** | **Part 71 Burden Per Permit or Program** |
| Program Administration | 3,500 hrs / PA / yr |
| Initial Permit Application Review | 100 hrs / permit |
| Draft Permits Preparation | 150 hrs / permit |
| Comment Period Notification | 10 hrs / permit |
| Hold Public Hearings (2% of permits) | 100 hrs / hearing |
| Analyze Public Comments (2% of permits) | 40 hrs / permit |
| Permit Issuance | 8 hrs / permit |
| Permit Revision  Significant Permit Modifications (10% of permits)  Minor Permit Modifications (50% of Permits)  Administrative Amendments (50% of Permits) | 90 hrs / permit  30 hrs / permit  5 hrs / permit |
| Permit Renewal | 90 hrs / permit |
| Review Reports:  Monitoring (2 reports / yr)  Compliance Certification | 10 hrs / permit  5 hrs / permit |

## 6(b) Estimating Respondent Costs

### 6(b)(i) Estimating Labor Costs

In order to improve the accuracy of burden estimates, this ICR renewal updates the source labor rates to values in 2011 dollars based on recent publications by the Bureau of Labor Statistics (BLS). In recent ICR renewals, we updated the labor rate for sources using the BLS Employment Cost Index (ECI) applied to the rate used in the previous renewal. However, we could no longer reproduce the methodology used to derive the source labor rate in the original ICR for the program, and the value used in the most recent renewal appeared to be unrealistically low.

The labor rate used to calculate sources’ labor cost for this ICR renewal is $64/hr. This source labor rate was calculated on the assumption that, while most of the labor for sources will be performed by Environmental Engineers, approximately 50 percent of the labor hours expended for two of the activities listed above in Table 1 will be carried out by Environmental Engineering Technicians. Specifically, we assumed that Environmental Engineering Technicians will expend half of the labor hours to “Operate Gap-filling Monitoring” and “Prepare Monitoring Reports and Compliance Certification.”

To derive this composite labor rate, we obtained the mean hourly wage for Environmental Engineers of $39.98 from the most recent BLS Occupational Employment Statistics, which gives wages as of May 2010.[[4]](#footnote-4) Similarly, we obtained the May 2010 mean hourly wage for Environmental Engineering Technicians of $22.51.[[5]](#footnote-5) In each case, we escalated the hourly wages to December 2011 using the BLS ECI for private industry workers, resulting in hourly wages of $40.98 for Environmental Engineers and hourly wages of $23.07 for Environmental Engineering Technicians.[[6]](#footnote-6) An example escalation calculation for Environmental Engineers is as follows:

We then calculated a weighted average hourly wage for sources using the total hours projected for sources over the 3 years of this ICR, as shown later in this document in Table 6, apportioned between Environmental Engineers and Environmental Engineering Technicians as discussed above. This calculation results in a weighted average hourly wage of $35.46. Finally, to determine the total labor rate, we assumed an 80 percent factor to account for benefits and overhead, which we believe to be representative. The resultant rate was rounded to the nearest dollar, yielding $64/hr in 2011 dollars. This labor rate was applied to all source burden hours to calculate the sources’ labor costs.

For delegate permitting authorities, we have maintained the practice in recent ICR renewals of using the same labor rate calculated for the EPA based on federal wage tables. The resulting labor rate for delegate permitting authorities is $52/hr. This calculation is discussed further below in section 6(c).

### 6(b)(ii) Estimating Capital and Operating and Maintenance (O&M) Costs

The EPA believes that sources will incur little or no capital cost to comply with part 71 requirements. Even if a part 71 permit applicant is a brand new company and the prospective source is a “greenfield” source (the EPA estimates less than 1 percent of sources fit that description) most, and perhaps all, of the equipment needed to prepare permit applications (for example, the computers and basic software) will be part of the source’s business operation inventory. Monitoring can require capital expenditures for new sources or new operations at existing sources, but these expenditures generally are accounted for in the ICRs for the applicable requirements under which they are required (e.g., NSPS or NESHAP). The one exception to this is the part 71 requirement to develop and operated gap-filling monitoring in certain, limited situations where the applicable requirements do not require monitoring. However, such gap-filling monitoring typically consists of periodically monitoring and recording operating conditions or other parameters that the source already monitors for operational purposes. Thus, we believe that capital costs are negligible for sources.

Delegate permitting authorities similarly incur negligible capital costs. As with sources, we believe that most, and perhaps all, of the computers and other office equipment needed to administer the part 71 program will be part of the permitting authority’s office inventory. In any case, the one existing delegate permitting authority operates a mature part 70 programs, so there is no need for initial equipment purchases to outfit a new program office.

Since the purchase of capital equipment is believed to be an insignificant factor under part 71, the EPA assumes the operation, maintenance or services for same are negligible. Further, once a permit is issued, there is minimal O&M cost associated with it. It remains unaltered unless it must be revised, and such revisions are accounted for as burden hours in section 6(a) above. As noted previously, part 71 requires sources to submit deviation reports, semi-annual reports of monitoring and annual compliance certification reports, but these reports generally are coordinated with similar reports that are required under the source’s applicable requirements. The O&M costs (e.g., photocopying and postage) for the reports required under the applicable requirements are included in the ICRs for those rules, and we believe that it would constitute double counting to include such costs here as well. In addition, electronic reporting by sources is increasingly prevalent, with no associated O&M costs. Accordingly, we include no O&M costs in this ICR for sources. For parallel reasons, we believe that O&M costs for delegate permitting authorities will be minimal, and none are included in this ICR.

### 6(b)(iii) Capital/Start-up vs. O&M Costs

Capital/start-up and O&M costs are non-labor related costs. One-time capital/start-up costs are incurred with the purchase of durable goods needed to provide information. According to the PRA, capital/start-up cost should include, among other items, preparations for collecting information such as purchasing computers and software, monitoring, sampling, drilling and testing equipment. As a practical matter, most these costs are not typical of the costs associated with preparing a part 71 permit application. As discussed in the previous section, we believe that the gap-filling monitoring required of some sources under part 71 will not involve capital spending. For the same reason, the O&M costs associated with start-up capital equipment are zero for this ICR. In addition, we believe that overlapping reporting accounted for in other ICRs and electronic reporting result in zero O&M costs for this ICR.

### 6(b)(iv) Annualizing Capital Costs

Typically, annualized capital cost would be derived from a discounted net present value of the stream of capital costs that would occur over the life of the permit, or the ICR, whichever is shorter. However, in the case of the part 71 Operating Permit Program, there are only labor costs for preparing and processing permit applications, conducting gap-filling monitoring, and preparing and reviewing reports. Labor costs are expensed when incurred and not amortized. Therefore, the annualized capital costs for this program are zero.

## 6(c) Estimating Agency Burden and Cost

The bulk of the EPA’s burden and cost under the part 71 program comes from our role as the primary permitting authority. We estimate that the EPA will be the permitting authority for approximately 160 of the 174 sources projected to be subject to the part 71 program by the end of this ICR renewal period. Because we cannot predict the precise division of activities between the EPA and the delegate permitting authorities (e.g., the exact mix of sources needing permit revisions [i.e., significant and minor permit modifications and administrative amendments], sources needing permit renewals or permits requiring public hearings), we continue the practice from previous ICRs of calculating the total burden for permitting authorities (based on addressing all part 71 sources) and then apportioning that burden between the EPA and the delegate permitting authorities based on the projected number of sources covered by each. This calculation is detailed below in section 6(d) where we address respondent burden and cost.

The EPA also incurs burden and cost for oversight of delegate permitting authorities. The estimated burden associated with the each of the activities listed above in section 5(a) for the EPA is presented below in Table 4. These activities remain unchanged from the 2007 ICR renewal. While there are several new activities or changes in activity levels compared to the 2007 ICR renewal that are related to the Flexible Air Permits and GHG Tailoring rules, for the sake of clarity we discuss those later in this document.

The estimated EPA labor rate for this ICR is $52/hr. The rate reflects the assumption that the EPA personnel overseeing the part 71 Operating Permit Program are classified as Grade 12, Step 5. The corresponding salary is loaded with benefits at the standard rate of 60 percent*.*[[7]](#footnote-7) This is an increase in loaded EPA labor rates from that used in the 2007 ICR renewal for part 71 of $46/hr (which was based on a combination of assumptions concerning various staff, management and support staff time).

**Table 4. Average EPA Burden by Activity for Oversight of Delegate Agencies**

|  |  |
| --- | --- |
| **Activity** | **Burden Per Permit or Program (Hours)** |
| Review Proposed Permits\*  New Permits  Significant Permit Modifications  Minor Permit Modifications | 20 / permit  8 / revision  1 / revision |
| Consultation  New Permits (25%)  Significant Permit Modifications (25%)  Minor Permit Modifications (25%) | 8 / permit  8 / permit  1 / permit |
| Program Oversight | 50 / program / year |
| Review the Annual Enforcement Activity Reports | 10 / report |

\* Includes the burden for review of periodic monitoring, when required

Past experience with part 70 suggests that oversight of the delegate agency averages about 2 hours per source per year on an aggregate basis. In the case of this delegate agency (the NNEPA), all of the 14 part 71 permits were previously issued by the EPA prior to the approval of the delegation agreement and the delegation agreement does not provide for any new permits to be issued by the NNEPA. Thus, the EPA believes the assumption of 2 hours per source will be appropriate due to the reduced scope of the programs and the small number of permits involved. As a result, the estimated EPA baseline burden to oversee the delegate agency will be approximately 28 hours per year at a cost of $1,456 per year.

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

As mentioned earlier, there is currently one delegate permitting authority, the NNEPA. We do not expect any additional delegations during the period of this ICR renewal.

Table 5 shows the number of existing and projected source respondents during the 3 years of this ICR renewal. We project that by the end of the period, there will be 136 sources in Indian country (14 of which are administered by the NNEPA), up to 15 OCS sources, up to 16 DPWA sources, up to 1 permit issued because of EPA objection to a part 70 permit and up to 6 GHG Tailoring sources.

The EPA has issued 105 part 71 permits to the 143 sources that will be subject to part 71 by May 1, 2012. Thus, at the beginning of this ICR, there will be a backlog of 38 existing sources that have not yet received their initial permits. (These sources have submitted their initial permit applications, so this ICR includes no burden for preparation of these applications.) The Agency projects that the backlogged permits will all be issued during the 3 years of this ICR, 12 in the first year and 13 each in years 2 and 3.

As shown in Table 5, the EPA projects that 31 new sources will become subject to EPA permitting during the course of this ICR (6 new Indian country sources, 9 OCS sources, 10 DWPA sources, and 6 due to the GHG Tailoring rule). We calculate the burden for these sources to include all the activities associated with obtaining an initial permit.

**Table 5. Existing and Projected Part 71 Sources**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Indian Country Sources** | **OCS Sources** | **DWPA Sources** | **Due to EPA Objection** | **GHG Tailoring Sources** |
| May 1, 2012 | 130 | 6 | 6 | 1 | 0 |
| April 30, 2013 | 2 | 3 | 3 | 0 | 2 |
| April 30, 2014 | 2 | 3 | 3 | 0 | 2 |
| April 30, 2015 | 2 | 3 | 4 | 0 | 2 |
| **Total** | **136** | **15** | **16** | **1** | **6** |

Also during the period of this ICR, a number of part 71 permits will have to be renewed. (The term of a part 71 permit is 5 years.) The EPA estimates that there will be 15 backlogged permit renewals by May 1, 2012 when this ICR begins. In addition, we estimate that another 63 part 71 permits will be nearing expiration and have to be renewed during the period of this ICR. The Agency projects that these 78 permit renewals will be issued in equal numbers each year (i.e., 26 renewals per year).

Table 6 lists the burden categories, expected number of occurrences for each, and the associated burden and costs for all part 71 sources when the EPA or a delegate agency is the permitting authority. The quantities in the “affected permits” column are from direct assessments of the 174 permits expected to be administered during the period covered by this ICR (143 Indian country sources, 15 OCS sources, 16 DWPA sources, 1 due to EPA objection, and 6 due to the GHG Tailoring rule). Each activity in Table 6 is based on the burden estimates from Table 2. Table 6 contains the baseline analysis (i.e., does not account for OMB-approved changes due to the Flexible Air Permits and GHG Tailoring rules). The assumptions in these tables are based on the assumptions detailed in the attachments to the ICR renewal for the part 70 state operating permit programs.

Table 7 lists the burden categories for permitting authorities (the EPA and delegate agencies), the expected number of permits involved and the expected cost for each category, based on the burden estimations from Table 3. Since the burden per activity assumptions and wage rates are the same for the EPA and delegate agencies and we cannot predict the precise division of activities between the EPA and the delegate permitting authorities, we calculate the total for all permitting authority activities across all the permits. We then prorate the total based on the number of permits that we project the EPA and the one delegate permitting authority (the NNEPA) will administer during the period of this ICR renewal. Specifically, we apportion the burden at a rate of just under 92 percent for the EPA (160 of the 174 total sources) and just over 8 percent for the delegate permitting authority (14 sources).

**Table 6. Baseline Burden and Cost of Sources Activities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden per Permit Hours** | **Affected Permits** | **Total Burden (Hours)** | **Total Cost (2011$)** |
| Initial Permit Application | 300 | 31 | 9,300 | $595,200 |
| Draft Permit Interaction | 40 | 69 | 2,760 | $176,640 |
| Gap Filling Monitoring Development (50% of permits) | 40 | 35 | 1,400 | $89,600 |
| Public Hearing Participation  (2% of permits) | 10 | 1 | 10 | $640 |
| Operate Gap Filling Monitoring  (50% of permits) | 200 | year 1 53 35  year 2 64 35  year 3 75 35 | year 1 10,600 7,000  year 2 12,800 7,000  year 3 15,000 7,000  38,400 21,000 | $678,400  $819,200  $960,000  $2,457,600 |
| Prepare Monitoring Reports and Compliance Certifications  (all permits) | 80 | year 1 105 105  year 2 127 105  year 3 150 105 | year 1 8,400 8,400  year 2 10,160 8,400  year 3 12,000 8,400  30,560 25,200 | $537,600  $650,240  $768,000  $1,161,280 |
| Permit Revisions  Significant Permit Modifications  (10% of existing permits)  Minor Permit Modifications  (50% of existing permits)  Administrative Amendments  (50% of existing permits)    Revision Subtotal | 80  40  8 | year 1 11 10  year 2 13 10  year 3 15 10  39  year 1 53 53  year 2 64 53  year 3 75 53  192  year 1 53 53  year 2 64 53  year 3 75  192 53 | year 1 880 800  year 2 1,040 800  year 3 1,200 800  3,120 2,400  year 1 2,120 2,120  year 2 2,560 2,120  year 3 3,000 2,120  7,680 6,360  year 1 424 424  year 2 512 424  year 3 600 424  1,536 1,272  12,336 10,032 | $56,320  $66,560  $76,800  $199,680  $135,680  $163,840  $192,000  $491,520  $27,136  $32,768  $38,400  $98,304  $789,504 |
| Renewal Permit Application | 200 | 78 | 15,600 15,000 | $998,400 |
| Other Renewal Activities | 20 | 78 | 1,560 1,000 | $99,840 |
| **Total 3-year** | | | **111,926** | **$7,163,264** |
| **Annual** | | | **37,309** | **$2,387,755** |

**Table 7. Baseline Burden and Cost of Permitting Authority Activities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit\*\*** | **Affected Permits or Programs** | **Total Burden (Hours)** | **Total Cost (2011$)\*** |
| Program Administration | 3,500 per year | 1 | 10,500 | $546,000 |
| Permit Application Review | 100 | 31 | 3,100 | $161,200 |
| Draft Permit Preparation | 150 | 69 | 10,350 | $538,200 |
| Comment Period Notification | 10 | 69 | 690 | $35,880 |
| Public Hearing (by Hearing)  (2% of permits) | 100 | 1 | 100 | $5,200 |
| Analyzing Public Comments  (2% of permits) | 40 | 1 | 40 | $2,080 |
| Permit Issuance | 8 | 69 | 552 | $28,704 |
| Permit Revisions  Significant (10% of permits) | 90 | 39 | 3,510 | $182,520 |
| Minor (50% of permits) | 30 | 192 | 5,760 | $299,520 |
| Administrative (50% of permits)  Revision Subtotal | 5 | 192 | 960  10,230 | $49,920  $531,960 |
| Permit Renewals | 90 | 78 | 7,020 | $365,040 |
| Review Monitoring / Compliance Reports  Year 1  Year 2  Year 3 | 15  15  15 | 105  127  150 | 1,575  1,905  2,250  5,730 | $81,900  $99,060  $117,000  $297,960 |
| **Total for all Permitting Authorities 3-year** | | | **48,312** | **$2,512,224** |
| **Annual** | | | **16,104** | **$837,408** |
| **Total for the Delegate Permitting Authority Annual** | | | **1,296** | **$67,378** |
| **Total for the EPA Annual** | | | **14,808** | **$770,030** |

\* The wage rate applied was $52 per hour; see section 6(c) for details.

\*\* Units are per permit except program administration (per permitting authority) and public hearings (per hearing)

## 6(e) Bottom Line Burden Hours and Cost Tables

Since the approval of the 2007 ICR renewal, the EPA has promulgated two rules that have affected the burden and cost of the part 70 Operating Permits Program, the Flexible Air Permits (FAP) rule and the GHG Tailoring rule. The Office of Management and Budget (OMB) approved ICR change requests for both of these rules, EPA tracking numbers 1703.09 and 1587.11, respectively; however, this is the first ICR renewal that addresses the two provisions at the same time and updates them to reflect the current stage of implementation.

The FAP rule, promulgated during the term of the last ICR renewal, revised part 71 to provide for permits that allow for upfront approval for changes to processes, equipment, raw materials and end products at a facility, in such a way as to avoid formal submittal and processing of significant permit modifications (SPM) and minor permit modifications (MPM) during the term of the permit. The FAP rule did not increase the number of sources subject to title V permitting, and it only applies to a relatively small number of new and existing sources that would need to get a permit anyway. While there is typically an increased burden to put the flexible provisions in the permit, once added, they allow the source to avoid permit modifications on a recurring, open-ended basis, resulting in an overall decrease in burden over the long term.

The EPA estimated in the FAP rule ICR that 5 percent of the total number of existing sources subject to part 70 would obtain a comprehensive flexible permit (a “Tier 1” permit) and that an additional 10 percent of all existing sources and new sources subject to part 70 would seek simpler flexible permits (“Tier 2” permits). The FAP rule ICR assumed all existing part 70 sources would be issued Tier 1 and 2 permits during the period of that ICR, and that there would be no new Tier 1 permits needed after that period ended. Thus, for this ICR period, we assume that only new Tier 2 permits will be issued, and they will comprise 10 percent of new permits issued during the period.

Table 8 lists the burden categories for respondent sources, the number of affected permits for each activity, and the expected incremental burden hours and costs for each, based on the burden estimations made in the previous OMB-approved ICR change worksheet for the FAP rule. The table shows incremental burden increases for issuing new Tier 2 permits and burden decreases for avoided permit modifications for all Tier 1 and 2 permits. Tables 9 and 10 present the same analysis for permitting authorities (both the EPA and delegate agencies) and the EPA (in our oversight role), respectively. In Table 9, we first calculate the total impact of the FAP rule across all permits, and then apportion that burden and cost between the one delegate permitting authority and the EPA as above.

Note that our assumptions for the mix of activities expected to occur under the FAP rule have changed compared to the OMB-approved change worksheet due to the normal evolution of the program (i.e., by May 2012, the beginning of this ICR renewal period, all eligible existing permits have been changed to add Tier 1 and 2 flexibility and only new Tier 2 permits will need to add such flexibility during the term of the ICR renewal). Also, the number of affected permits has changed because our assumptions concerning the number of existing permits over the period (discussed previously) have changed since the FAP rule ICR.

**Table 8. Three-Year and Annual Incremental Burden of the FAP Rule for Sources**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total 3-Year Burden**  **(Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Tier 1 – 5 MPM Avoided per year | -40 | 9 | -5,400 | -$345,600 |
| Tier 1 – 1 SPM Avoided every 5 years | -80 | 9 | -400 | -$25,600 |
| Tier 2 – New Permit | 60 | 7 | 420 | $26,880 |
| Tier 2 – 1 MPM Avoided per year | -40 | 17 | -2,040 | -$130,560 |
| **Total 3-year** | | | **-7,420** | **-$474,880** |
| **Annual** | | | **-2,473** | **-$158,293** |

**Table 9. Three-Year and Annual Incremental Burden of the FAP Rule for Permitting Authorities (EPA and Delegate Agencies)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total 3-Year Burden**  **(Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Tier 1 – 5 MPM Avoided per year | -30 | 9 | -4,050 | -$210,600 |
| Tier 1 – 1 SPM Avoided every 5 years | -90 | 9 | -450 | -$23,400 |
| Tier 2 – New Permit | 45 | 7 | 315 | $16,380 |
| Tier 2 – 1 MPM Avoided per year | -30 | 17 | -1,530 | -$79,560 |
| **Total for all Permitting Authorities 3-year** | | | **-5,715** | **-$297,180** |
| **Annual** | | | **-1,905** | **-$99,060** |
| **Total for the Delegate Permitting Authority Annual** | | | **-153** | **-$7,970** |
| **Total for the EPA Annual** | | | **-1,752** | **-$91,090** |

**Table 10. Three-Year and Annual Incremental Burden of the FAP Rule for EPA Oversight of Delegate Agencies**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total 3-Year Burden**  **(Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Tier 1 – 5 MPM Avoided per year | -1 | 1 | -15 | -$780 |
| Tier 1 – 1 SPM Avoided every 5 years | -8 | 1 | -8 | -$416 |
| Tier 2 – New Permit | 8 | 0 | 0 | $0 |
| Tier 2 – 1 MPM Avoided per year | -1 | 2 | -6 | -$312 |
| **Total 3-year** | | | **-29** | **-$1,508** |
| **Annual** | | | **-10** | **-$503** |

The GHG Tailoring rule, also promulgated during the term of the last ICR renewal, “tailors” the requirements of the Act to limit the number of facilities that would otherwise be required to obtain title V permits solely due to their emissions of Greenhouse Gases (GHGs). As a result of actions to regulate GHGs under other CAA programs, GHGs are now required to be addressed under the title V program. The GHG Tailoring rule is necessary because the statutory definitions that have been used for other air pollutants to determine which sources are “major sources” subject to title V permitting, if implemented immediately for GHGs, would bring so many sources into the programs as to overwhelm the capabilities of permitting authorities to issue permits. Accordingly, the EPA adopted the GHG Tailoring rule to phase in coverage of GHG-emitting sources under the title V program. We are currently in Step 2 of the implementation schedule of the GHG Tailoring rule, and the EPA assumes that there will be about 552 GHG sources subject to part 70 solely due to GHG emissions during the 3-year period of this ICR renewal, and that all of these sources will be issued single-source permits (i.e., not general permits).[[8]](#footnote-8) For part 71, we estimate there will be up to six new sources subject solely due to GHG emissions.

The baseline burden associated with part 71 is shown above in Tables 6 and 7 for sources and permitting authorities (both the EPA and delegated agencies), respectively. The baseline burden incurred by the EPA in our oversight role is discussed above in section 6(c). The burden for each activity in these analyses is based on the assumptions of the 2007 ICR renewal. The six additional GHG sources are included as well. The baseline burden figures, however, do not include the incremental burden for addressing GHG emissions in permits that apply to both GHG and non-GHG subject sources. The incremental GHG burden is shown below in Tables 11, 12 and 13 for sources, permitting authorities (both the EPA and delegate agencies) and the EPA (in our oversight role). As above, Table 12 shows the total permitting authority burden hours and cost for all permits, followed by the burden apportioned between the delegate permitting authority and the EPA. Note that the EPA assumes the burden for issuing new GHG permits is the same as non-GHG permits, so there is no incremental burden for new permit issuance included in the tables below (it is included in Tables 6 and 7 instead).

Specifically, included in the tables below is the incremental burden for sources and permitting authorities alike to address GHG in all new non-GHG permits (including backlog sources), the burden of permit modifications solely related to GHG (based on the number of NSR actions involving GHG in the NSR program ICR), the burden of addressing GHG in all existing non-GHG permits when they undergo minor permit or significant modification procedures, and the burden of addressing GHG in 80 percent of all permit renewals. For the EPA in our oversight role, the additional incremental burden is for reviewing and consulting with delegate permitting authorities on minor and significant modifications that occur solely due to GHG.[[9]](#footnote-9)

Table 11 lists the burden categories for respondent sources, the number of affected permits for each activity, and the expected incremental burden hours and costs for each, based on the burden estimations made in the previous OMB-approved ICR change worksheet for the GHG Tailoring rule. Compared to the change worksheet for this rule, these tables have been updated to reflect the number of affected permits and the mix of activities expected to occur due to the expected evolution of the program. Tables 12 and 13 present the same analysis for permitting authorities and the EPA, respectively.

**Table 11. Three-Year and Annual Incremental Burden of the GHG Tailoring Rule for Sources**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total**  **3-Year Burden (Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Prepare Application (add GHG to non-GHG permit) | 34 | 34 | 1,156 | $73,984 |
| Modification due to GHG | 43 | 30 | 1,290 | $82,560 |
| Modification to address GHG in non-GHG permit | 4 | 231 | 924 | $59136 |
| Address GHG at Renewal | 20 | 62 | 1,248 | $179,872 |
| **Total 3-year** | | | **4,618** | **$295,552** |
| **Annual** | | | **1,539** | **$98,517** |

**Table 12. Three-Year and Annual Incremental Burden of the GHG Tailoring Rule for Permitting Authorities (EPA and Delegate Agencies)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total 3‑Year Burden (Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Prepare Application (add GHG to non-GHG permit) | 43 | 34 | 1,462 | $76,024 |
| Modification due to GHG | 40 | 30 | 1,200 | $62,400 |
| Modification to address GHG in non-GHG permit | 4 | 231 | 924 | $48,048 |
| Address GHG at Renewal | 9 | 62 | 562 | $29,203 |
| **Total 3-year** | | | **4,148** | **$215,675** |
| **Annual** | | | **1,383** | **$71,892** |
| **Total for the Delegate Permitting Authority Annual** | | | **111** | **$5,784** |
| **Total for the EPA Annual** | | | **1,272** | **$66,107** |

**Table 13. Three-Year and Annual Incremental Burden of the GHG Tailoring Rule for EPA Oversight of Delegate Agencies**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Burden Hours per Permit** | **Affected Permits** | **Total 3-Year Burden (Hours)** | **Total 3-Year Cost**  **(2011$)** |
| Review Modification due to GHG | 8 | 2 | 16 | $832 |
| Consult on Modification due to GHG | 8 | 1 | 8 | $416 |
| **Total 3-year** | | | **24** | **$1,248** |
| **Annual** | | | **8** | **$416** |

### 6(e)(i) Respondent Tally

Tables 2 and 3 above display the activities of the part 71 program carried out by sources and permitting authorities, respectively. Section 6(b)(i) explains the derivation of the hourly cost of labor for sources and delegate permitting authorities. Tables 6 and 7 summarize the expected baseline burden and costs (in 2011 dollars) over the 3-year period of this ICR renewal for sources and permitting authorities. The baseline burden and costs, which are based on the methodology of the previous ICR renewal, do not account for changes to the approved burden from the FAP rule and the GHG Tailoring rule. The incremental burden and costs attributable to the FAP rule are shown in Tables 8 and 9 for sources and permitting authorities, respectively, and that attributable to the GHG Tailoring rule is shown in Tables 11 and 12. In table 14 we show the calculation of the bottom line average annual burden for respondents (i.e., sources and the single delegate permitting authority), and in Table 15 the calculation of the bottom line average annual cost, adjusted for the FAP and GHG Tailoring rules. As can be seen from these tables, the FAP rule and the GHG Tailoring rule resulted in nearly offsetting decreases and increases, respectively, in burden and cost. Overall, there is a small decrease in burden for sources and the delegate permitting authority.

**Table 14. Calculation of Bottom Line Average Annual Respondent Burden Hours**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Respondent** | **Baseline** | **Flexible Air**  **Permit Rule** | **GHG**  **Tailoring Rule** | **Total** |
| Sources | 37,309 | -2,473 | 1,539 | 36,375 |
| Delegate Permitting Authority | 1,296 | -153 | 111 | 1,254 |
| **Total** | **38,605** | **-2,626** | **1,650** | **37,629** |

**Table 15. Calculation of Bottom Line Average Annual Respondent Cost (2011$)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Respondent** | **Baseline** | **Flexible Air Permit Rule** | **GHG Tailoring Rule** | **Total** |
| Sources | $2,387,755 | -$158,293 | $98,517 | $2,327,979 |
| Delegate Permitting Authority | $67,378 | -$7,970 | $5,784 | $65,192 |
| **Total** | **$2,455,133** | **-$166,263** | **$104,301** | **$2,393,171** |

Table 16 shows the bottom line average annual burden and cost for the source and delegate permitting authority respondents under this ICR renewal for implementation of the part 71 Operating Permit Program between May 2012 and April 2015. As the table shows, the Agency anticipates it will take somewhat over 36,000 hours per year for the 174 sources subject to part 71 permitting to perform all the functions required by title V. This averages out to about 209 hours per source – just over 5 weeks of a full time employee’s time. The cost associated with that burden is relatively small – under $14,000.

For the single delegate permitting authority (the NNEPA), Table 16 shows that we estimate that the burden associated with the part 71 Operating Permit Program will be well under 1,300 hours per year, or about 90 hours and $4,700 for each of the 14 permits administered by the agency. However, this cost cannot be considered an Unfunded Mandate from the federal government, because the net cost to permitting authorities for their management of an operating permit program must, by law, be passed on to sources in the form of permit fees of sufficient magnitude to fully offset all permit management costs. Therefore, the true annual cost to the delegate permitting authority under part 71 is zero, and the true annual cost to sources is the sum of their direct costs ($2.3 million as shown in Table 16) and the costs incurred by both the delegate permitting authority (about $65,000 as shown in Table 16) and the EPA in its role as permitting authority (about $745,000 as shown below in Table 18), or approximately $3.1 million per year. This total averages out to about $18,000 per permit.

**Table 16. Bottom Line Average Annual Respondent Burden and Cost (2012-2015)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Type of Respondent** | **Number of Affected Entities** | **Average Annual Burden (Hours)** | **Average Annual Burden per Respondent (Hours)** | **Average Annual Burden per Source (Hours)\*** | **Average Annual Cost (2011$)** | **Average Annual Cost per Respondent (2011$)** | **Average Annual Cost per Source (2011$)\*** |
|
|
|
|
| Sources | 174 | 36,375 | 209 | 209 | $2,327,979 | $13,379 | $13,379 |
| Delegate Permitting Authority | 1 | 1,254 | 1,254 | 90 | $65,192 | $65,192 | $4,657 |
| **Total** | **175** | **37,629** | **NA** | **NA** | **$2,393,171** | **NA** | **NA** |

\* Per-source figures for the delegate permitting authority are based on the 14 sources administered by the NNEPA.

### 6(e)(ii) The Agency Tally

Table 3 above displays the activities undertaken by the federal government (EPA) for the part 71 program in its role as permitting authority, and Table 4 shows the activities undertaken by the EPA in its oversight role for delegate permitting authorities. Section 6(c) gives the derivation of hourly costs for the EPA. Table 7 gives the expected baseline burden and cost for the EPA as permitting authority, and section 6(c) discusses the baseline burden and costs for the EPA in overseeing delegate permitting authorities. The incremental burden and cost attributable to the FAP rule are shown in Tables 9 and 10 for the EPA’s two roles, and those attributable to the GHG Tailoring rule are shown in Tables 12 and 13. In Tables 17 and 18 we show the calculation of the average annual burden and cost for the EPA, adjusted for the FAP and GHG Tailoring rules.

**Table 17. Calculation of Bottom Line Average Annual EPA Burden Hours**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Role** | **Baseline** | **Flexible Air**  **Permit Rule** | **GHG**  **Tailoring Rule** | **Total** |
| Permitting Authority | 14,808 | -1,752 | 1,272 | 14,328 |
| Oversight of Delegate Agencies | 28 | -10 | 8 | 26 |
| **Total** | **14,836** | **-1,762** | **1,280** | **14,354** |

**Table 18. Calculation of Bottom Line Average Annual EPA Cost (2011$)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Role** | **Baseline** | **Flexible Air Permit Rule** | **GHG Tailoring Rule** | **Total** |
| Permitting Authority | $770,030 | -$91,090 | $66,107 | $745,047 |
| Oversight of Delegate Agencies | $1,456 | -$503 | $416 | $1,369 |
| **Total** | **$771,486** | **-$91,593** | **$66,523** | **$746,416** |

As can be seen from Tables 17 and 18, the total, bottom line burden incurred by the EPA for the part 71 Operating Permit Program is estimated to be about 14,400 hours and $750,000 dollars per year. This total represents approximately 82 hours and $4,300 per source across the two roles fulfilled by the Agency. As a permitting authority, the EPA’s bottom line annual burden is about 14,300 per year at a cost of about $745,000, or an average of approximately 90 hours and $4,700 for each of the 160 sources to be administered by the EPA. In overseeing the delegate permitting authority, the EPA expects an annual burden of less than 30 hours and $1,500 per year, for an average of 2 hours and $100 for each of the 14 sources administered by the NNEPA.

### 6(e)(iii) Variations in the Annual Bottom Line

The annual burden is not expected to change significantly from year to year over the 3 years covered by this ICR renewal. However, the burden is expected to increase incrementally each year as the number of permitted sources increases by about 6 to 7 percent per year.

## 6(f) Reasons for Change in Burden

There are several reasons for the changes in burden in this ICR renewal relative to the 2007 ICR renewal. The most significant reason causing an increase in burden for sources and permitting authorities has been updated estimates of the number of existing sources and permits due to better data. This data shows increased economic activity occurring in areas under EPA jurisdiction, primarily due to oil and gas exploration, LNG terminals and several alternative energy development projects. Also affecting the burden estimates, but to a lesser extent, was an increase in wage rates applied to the activities of sources and permitting authorities.

Table 19 compares the respondent burden in the 2007 ICR renewal with the burden in this ICR renewal. The approved burden level in the previous ICR was about 27,000 hours per year for sources, while this ICR estimates total annual burden for sources at over 36,000 burden hours per year. This change in burden from the previous ICR renewal is primarily due to updated estimates of the number of sources and permits, rather than any new federal mandates (the FAP and the GHG Tailoring rules were previously approved by OMB, but this is the first ICR renewal to address them simultaneously and update them for the current stage of implementation). In the last ICR there were 123 sources subject to administration by the EPA, while this one assumes there will be 174 sources, of which 14 will be subject to delegate agency administration and 160 subject to EPA administration. Permitting by the delegate permitting authority accounts for about 1,250 hours in this ICR renewal, while the previous ICR included no burden for this type of respondent because no delegate agencies had been approved at that time.

**Table 19. Burden Change from 2007 ICR to Current ICR (Hours)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Respondent** | **Average Annual Burden in 2007 ICR** | **Average Annual Burden in ICR Renewal** | **Difference** |
|
|
|
| Sources | 27,218 | 36,375 | 9,157 |
| Delegate Permitting Authorities | 0 | 1,254 | 1,254 |
| **Total** | **27,218** | **37,629** | **10,411** |

For the EPA, the estimated burden level in the 2007 ICR renewal was about 12,400 hours per year, which we estimate will increase to an average of about 14,400 hours per year over the 3 years of this ICR renewal. As with sources, this increase is largely the result of an increase in the number of existing and projected new sources subject to the part 71 program, although we estimate that a small portion of the increase (less than 30 hours annually) will be expended in oversight of the one delegate permitting authority. In addition, we updated the cost of labor assumed for the EPA (see section 6(c)). Based on the projected increases in burden hours and the dollar-per-hour rate for EPA labor, we estimate that the cost to the federal government of the part 71 program will increase by about $190,000 per year.

## 6(g) Burden Statement

Following in Table 19 is the apportioned burden for each type of respondent, i.e. sources and the single delegate permitting authority. This is derived from the total hourly burden for sources divided by the number of sources, and similarly for the delegate permitting authority.

**Table 20. Burden Statement (Hours)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Respondent** | **Number of Respondents** | **Total Annual Burden** | **Average Annual Burden per Respondent** | **Average Annual Burden per Source\*** |
|
|
| Sources | 174 | 36,375 | 209 | 209 |
| Permitting Authorities | 1 | 1,254 | 1,254 | 90 |

\* Per-source figures for the delegate permitting authority are based on the 14 sources administered by the NNEPA.

For the federal government, the EPA is the only affected entity covered by this ICR. We project an annual burden of 14,354 hours for the EPA, or about 82 hours per source. This per-source average encompasses the EPA’s role as a permitting authority (about 90 hours for each of 160 sources) and in providing oversight for the delegate agency (about 2 hours for each of 14 sources).

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 the 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, the EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2004-0016, which is available for online viewing at [www.regulations.gov](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 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 and Information Center is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and 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-2004-0016 and OMB Control Number 2060-0336 in any correspondence.

ATTACHMENT 1

THE STATUTORY REQUIREMENTS FOR REPONDENT INFORMATION

**SECTIONS 502 THROUGH 504 OF TITLE V OF THE CLEAN AIR ACT**

**SEC. 502. PERMIT PROGRAMS**

(a) Violations.- After the effective date of any permit program approved or promulgated under this title, it shall be unlawful for any person to violate any requirement of a permit issued under this title, or to operate an affected source (as provided in title IV), a major source, any other source (including an area source) subject to standards or regulations under section 111 or 112, any other source required to have a permit under parts C or D of title I, or any other stationary source in a category designated (in whole or in part) by regulations promulgated by the Administrator (after notice and public comment) which shall include a finding setting forth the basis for such designation, except in compliance with a permit issued by a permitting authority under this title. (Nothing in this subsection shall be construed to alter the applicable requirements of this Act that a permit be obtained before construction or modification.) The Administrator may, in the Administrator's discretion and consistent with the applicable provisions of this Act, promulgate regulations to exempt one or more source categories (in whole or in part) from the requirements of this subsection if the Administrator finds that compliance with such requirements is impracticable, infeasible, or unnecessarily burdensome on such categories, except that the Administrator may not exempt any major source from such requirements.

(b) Regulations.- The Administrator shall promulgate within 12 months after the date of the enactment of the Clean Air Act Amendments of 1990 regulations establishing the minimum elements of a permit program to be administered by any air pollution control agency. These elements shall include each of the following:

(1) Requirements for permit applications, including a standard application form and criteria for determining in a timely fashion the completeness of applications.

(2) Monitoring and reporting requirements.

(3)(A) A requirement under State or local law or interstate compact that the owner or operator of all sources subject to the requirement to obtain a permit under this title pay an annual fee, or the equivalent over some other period, sufficient to cover all reasonable (direct and indirect) costs required to develop and administer the permit program requirements of this title, including section 507, including the reasonable costs of -

(i) reviewing and acting upon any application for such a permit,

(ii) if the owner or operator receives a permit for such source, whether before or after the date of the enactment of the Clean Air Act Amendments of 1990, implementing and enforcing the terms and conditions of any such permit (not including any court costs or other costs associated with any enforcement action),

(iii) emissions and ambient monitoring,

(iv) preparing generally applicable regulations, or guidance,

(v) modeling, analyses, and demonstrations, and

(vi) preparing inventories and tracking emissions.

(B) The total amount of fees collected by the permitting authority shall conform to the following requirements:

(i) The Administrator shall not approve a program as meeting the requirements of this paragraph unless the State demonstrates that, except as otherwise provided in subparagraphs (ii) through (v) of this subparagraph, the program will result in the collection, in the aggregate, from all sources subject to subparagraph (A), of an amount not less than $25 per ton of each regulated pollutant, or such other amount as the Administrator may determine adequately reflects the reasonable costs of the permit program.

(ii) As used in this subparagraph, the term "regulated pollutant" shall mean (I) a volatile organic compound; (II) each pollutant regulated under section 111 or 112; and (III) each pollutant for which a national primary ambient air quality standard has been promulgated (except that carbon monoxide shall be excluded from this reference).

(iii) In determining the amount under clause (i), the permitting authority is not required to include any amount of regulated pollutant emitted by any source in excess of 4,000 tons per year of that regulated pollutant.

(iv) The requirements of clause (i) shall not apply if the permitting authority demonstrates that collecting an amount less than the amount specified under clause (i) will meet the requirements of subparagraph (A).

(v) The fee calculated under clause (i) shall be increased (consistent with the need to cover the reasonable costs authorized by subparagraph (A)) in each year beginning after the year of the enactment of the Clean Air Act Amendments of 1990 by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of such year exceeds the Consumer Price Index for the calendar year 1989. For purposes of this clause -

(I) the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year, and

(II) the revision of the Consumer Price Index which is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(C)(i) If the Administrator determines, under subsection (d), that the fee provisions of the operating permit program do not meet the requirements of this paragraph, or if the Administrator makes a determination, under subsection (i), that the permitting authority is not adequately administering or enforcing an approved fee program, the Administrator may, in addition to taking any other action authorized under this title, collect reasonable fees from the sources identified under subparagraph (A). Such fees shall be designed solely to cover the Administrator's costs of administering the provisions of the permit program promulgated by the Administrator.

(ii) Any source that fails to pay fees lawfully imposed by the Administrator under this subparagraph shall pay a penalty of 50 percent of the fee amount, plus interest on the fee amount computed in accordance with section 6621(a)(2) of the Internal Revenue Code of 1986 (relating to computation of interest on underpayment of Federal taxes).

(iii) Any fees, penalties, and interest collected under this subparagraph shall be deposited in a special fund in the United States Treasury for licensing and other services, which thereafter shall be available for appropriation, to remain available until expended, subject to appropriation, to carry out the Agency's activities for which the fees were collected. Any fee required to be collected by a State, local, or interstate agency under this subsection shall be utilized solely to cover all reasonable (direct and indirect) costs required to support the permit program as set forth in subparagraph (A).

(4) Requirements for adequate personnel and funding to administer the program.

(5) A requirement that the permitting authority have adequate authority to:

(A) issue permits and assure compliance by all sources required to have a permit under this title with each applicable standard, regulation or requirement under this Act;

(B) issue permits for a fixed term, not to exceed 5 years;

(C) assure that upon issuance or renewal permits incorporate emission limitations and other requirements in an applicable implementation plan;

(D) terminate, modify, or revoke and reissue permits for cause;

(E) enforce permits, permit fee requirements, and the requirement to obtain a permit, including authority to recover civil penalties in a maximum amount of not less than $10,000 per day for each violation, and provide appropriate criminal penalties; and

(F) assure that no permit will be issued if the Administrator objects to its issuance in a timely manner under this title.

(6) Adequate, streamlined, and reasonable procedures for expeditiously determining when applications are complete, for processing such applications, for public notice, including offering an opportunity for public comment and a hearing, and for expeditious review of permit actions, including applications, renewals, or revisions, and including an opportunity for judicial review in State court of the final permit action by the applicant, any person who participated in the public comment process, and any other person who could obtain judicial review of that action under applicable law.

(7) To ensure against unreasonable delay by the permitting authority, adequate authority and procedures to provide that a failure of such permitting authority to act on a permit application or permit renewal application (in accordance with the time periods specified in section 503 or, as appropriate, title IV) shall be treated as a final permit action solely for purposes of obtaining judicial review in State court of an action brought by any person referred to in paragraph (6) to require that action be taken by the permitting authority on such application without additional delay.

(8) Authority, and reasonable procedures consistent with the need for expeditious action by the permitting authority on permit applications and related matters, to make available to the public any permit application, compliance plan, permit, and monitoring or compliance report under section 503(e), subject to the provisions of section 114(c) of this Act.

(9) A requirement that the permitting authority, in the case of permits with a term of 3 or more years for major sources, shall require revisions to the permit to incorporate applicable standards and regulations promulgated under this Act after the issuance of such permit. Such revisions shall occur as expeditiously as practicable and consistent with the procedures established under paragraph (6) but not later than 18 months after the promulgation of such standards and regulations. No such revision shall be required if the effective date of the standards or regulations is a date after the expiration of the permit term. Such permit revision shall be treated as a permit renewal if it complies with the requirements of this title regarding renewals.

(10) Provisions to allow changes within a permitted facility (or one operating pursuant to section 503(d)) without requiring a permit revision, if the changes are not modifications under any provision of title I and the changes do not exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions: *Provided*, That the facility provides the Administrator and the permitting authority with written notification in advance of the proposed changes which shall be a minimum of 7 days, unless the permitting authority provides in its regulations a different time frame for emergencies.

(c) Single Permit.- A single permit may be issued for a facility with multiple sources.

(d) Submission and Approval.- (1) Not later than 3 years after the date of the enactment of the Clean Air Act Amendments of 1990, the Governor of each State shall develop and submit to the Administrator a permit program under State or local law or under an interstate compact meeting the requirements of this title. In addition, the Governor shall submit a legal opinion from the attorney general (or the attorney for those State air pollution control agencies that have independent legal counsel), or from the chief legal officer of an interstate agency, that the laws of the State, locality, or the interstate compact provide adequate authority to carry out the program. Not later than 1 year after receiving a program, and after notice and opportunity for public comment, the Administrator shall approve or disapprove such program, in whole or in part. The Administrator may approve a program to the extent that the program meets the requirements of this Act, including the regulations issued under subsection (b). If the program is disapproved, in whole or in part, the Administrator shall notify the Governor of any revisions or modifications necessary to obtain approval. The Governor shall revise and resubmit the program for review under this section within 180 days after receiving notification.

(2)(A) If the Governor does not submit a program as required under paragraph (1) or if the Administrator disapproves a program submitted by the Governor under paragraph (1), in whole or in part, the Administrator may, prior to the expiration of the 18-month period referred to in subparagraph (B), in the Administrator's discretion, apply any of the sanctions specified in section 179(b).

(B) If the Governor does not submit a program as required under paragraph (1), or if the Administrator disapproves any such program submitted by the Governor under paragraph (1), in whole or in part, 18 months after the date required for such submittal or the date of such disapproval, as the case may be, the Administrator shall apply sanctions under section 179(b) in the same manner and subject to the same deadlines and other conditions as are applicable in the case of a determination, disapproval, or finding under section 179(a).

(C) The sanctions under section 179(b)(2) shall not apply pursuant to this paragraph in any area unless the failure to submit or the disapproval referred to in subparagraph (A) or (B) relates to an air pollutant for which such area has been designated a nonattainment area (as defined in part D of title I).

(3) If a program meeting the requirements of this title has not been approved in whole for any State, the Administrator shall, 2 years after the date required for submission of such a program under paragraph (1), promulgate, administer, and enforce a program under this title for that State.

(e) Suspension.- The Administrator shall suspend the issuance of permits promptly upon publication of notice of approval of a permit program under this section, but may, in such notice, retain jurisdiction over permits that have been federally issued, but for which the administrative or judicial review process is not complete. The Administrator shall continue to administer and enforce federally issued permits under this title until they are replaced by a permit issued by a permitting program. Nothing in this subsection should be construed to limit the Administrator's ability to enforce permits issued by a State.

(f) Prohibition.- No partial permit program shall be approved unless, at a minimum, it applies, and ensures compliance with, this title and each of the following:

(1) All requirements established under title IV applicable to "affected sources."

(2) All requirements established under section 112 applicable to "major sources", "area sources," and "new sources."

(3) All requirements of title I (other than section 112) applicable to sources required to have a permit under this title. Approval of a partial program shall not relieve the State of its obligation to submit a complete program, nor from the application of any sanctions under this Act for failure to submit an approvable permit program.

(g) Interim Approval.- If a program (including a partial permit program) submitted under this title substantially meets the requirements of this title, but is not fully approvable, the Administrator may by rule grant the program interim approval. In the notice of final rulemaking, the Administrator shall specify the changes that must be made before the program can receive full approval. An interim approval under this subsection shall expire on a date set by the Administrator not later than 2 years after such approval, and may not be renewed. For the period of any such interim approval, the provisions of subsection (d)(2), and the obligation of the Administrator to promulgate a program under this title for the State pursuant to subsection (d)(3), shall be suspended. Such provisions and such obligation of the Administrator shall apply after the expiration of such interim approval.

(h) Effective Date.- The effective date of a permit program, or partial or interim program, approved under this title, shall be the effective date of approval by the Administrator. The effective date of a permit program, or partial permit program, promulgated by the Administrator shall be the date of promulgation.

(i) Administration and Enforcement.- (1) Whenever the Administrator makes a determination that a permitting authority is not adequately administering and enforcing a program, or portion thereof, in accordance with the requirements of this title, the Administrator shall provide notice to the State and may, prior to the expiration of the 18-month period referred to in paragraph (2), in the Administrator's discretion, apply any of the sanctions specified in section 179(b).

(2) Whenever the Administrator makes a determination that a permitting authority is not adequately administering and enforcing a program, or portion thereof, in accordance with the requirements of this title, 18 months after the date of the notice under paragraph (1), the Administrator shall apply the sanctions under section 179(b) in the same manner and subject to the same deadlines and other conditions as are applicable in the case of a determination, disapproval, or finding under section 179(a).

(3) The sanctions under section 179(b)(2) shall not apply pursuant to this subsection in any area unless the failure to adequately enforce and administer the program relates to an air pollutant for which such area has been designated a nonattainment area.

(4) Whenever the Administrator has made a finding under paragraph (1) with respect to any State, unless the State has corrected such deficiency within 18 months after the date of such finding, the Administrator shall, 2 years after the date of such finding, promulgate, administer, and enforce a program under this title for that State. Nothing in this paragraph shall be construed to affect the validity of a program which has been approved under this title or the authority of any permitting authority acting under such program until such time as such program is promulgated by the Administrator under this paragraph. [42 U.S.C. 7661a]

**SEC. 503. PERMIT APPLICATIONS.**

(a) APPLICABLE DATE.-Any source specified in section 502(a) shall become subject to a permit program, and required to have a permit, on the later of the following dates-

(1) the effective date of a permit program or partial or interim permit program applicable to the source; or

(2) the date such source becomes subject to section 502(a).

(b) COMPLIANCE PLAN.-(1) The regulations required by section 502(b) shall include a requirement that the applicant submit with the permit application a compliance plan describing how the source will comply with all applicable requirements under this Act. The compliance plan shall include a schedule of compliance, and a schedule under which the permittee will submit progress reports to the permitting authority no less frequently than every 6 months.

(2) The regulations shall further require the permittee to periodically (but no less frequently than annually) certify that the facility is in compliance with any applicable requirements of the permit, and to promptly report any deviations from permit requirements to the permitting authority.

(c) DEADLINE.-Any person required to have a permit shall, not later than 12 months after the date on which the source becomes subject to a permit program approved or promulgated under this title, or such earlier date as the permitting authority may establish, submit to the permitting authority a compliance plan and an application for a permit signed by a responsible official, who shall certify the accuracy of the information submitted. The permitting authority shall approve or disapprove a completed application (consistent with the procedures established under this title for consideration of such applications), and shall issue or deny the permit, within 18 months after the date of receipt thereof, except that the permitting authority shall establish a phased schedule for acting on permit applications submitted within the first full year after the effective date of a permit program (or a partial or interim program). Any such schedule shall assure that at least one-third of such permits will be acted on by such authority annually over a period of not to exceed 3 years after such effective date. Such authority shall establish reasonable procedures to prioritize such approval or disapproval actions in the case of applications for construction or modification under the applicable requirements of this Act.

(d) TIMELY AND COMPLETE APPLICATIONS.-Except for sources required to have a permit before construction or modification under the applicable requirements of this Act, if an applicant has submitted a timely and complete application for a permit required by this title (including renewals), but final action has not been taken on such application, the source's failure to have a permit shall not be a violation of this Act, unless the delay in final action was due to the failure of the applicant timely to submit information required or requested to process the application. No source required to have a permit under this title shall be in violation of section 502(a) before the date on which the source is required to submit an application under subsection (c).

(e) COPIES; AVAILABILITY.-A copy of each permit application, compliance plan (including the schedule of compliance), emissions or compliance monitoring report, certification, and each permit issued under this title, shall be available to the public. If an applicant or permittee is required to submit information entitled to protection from disclosure under section 114(c) of this Act, the applicant or permittee may submit such information separately. The requirements of section 114(c) shall apply to such information. The contents of a permit shall not be entitled to protection under section 114(c).

**SEC. 504. PERMIT REQUIREMENTS AND CONDITIONS.**

(a) CONDITIONS.-Each permit issued under this title shall include enforceable emission limitations and standards, a schedule of compliance, a requirement that the permittee submit to the permitting authority, no less often than every 6 months, the results of any required monitoring, and such other conditions as are necessary to assure compliance with applicable requirements of this Act, including the requirements of the applicable implementation plan.

(b) MONITORING AND ANALYSIS.-The Administrator may by rule prescribe procedures and methods for determining compliance and for monitoring and analysis of pollutants regulated under this Act, but continuous emissions monitoring need not be required if alternative methods are available that provide sufficiently reliable and timely information for determining compliance. Nothing in this subsection shall be construed to affect any continuous emissions monitoring requirement of title IV, or where required elsewhere in this Act.

(c) INSPECTION, ENTRY, MONITORING, CERTIFICATION, AND REPORTING.-Each permit issued under this title shall set forth inspection, entry, monitoring, compliance certification, and reporting requirements to assure compliance with the permit terms and conditions. Such monitoring and reporting requirements shall conform to any applicable regulation under subsection (b). Any report required to be submitted by a permit issued to a corporation under this title shall be signed by a responsible corporate official, who shall certify its accuracy.

*§70.5(c) Standard applications form and required information*. The State program under this part shall provide for a standard application form or forms. Information as described below for each emissions unit at a part 70 source shall be included in the application. The Administrator may approve as part of a State program a list of insignificant activities and emissions levels which need not be included in permit applications. However, for insignificant activities which are exempted because of size or production rate, a list of such insignificant activities must be included in the application. An application may not omit information needed to determine the applicability of, or to impose, any applicable requirement, or to evaluate the fee amount required under the schedule approved pursuant to §70.9 of this part. The permitting authority may use discretion in developing application forms that best meet program needs and administrative efficiency. The forms and attachments chosen, however, shall include the elements specified below:

(1) Identifying information, including company name and address (or plant name and address if different from the company name), owner's name and agent, and telephone number and names of plant site manager/contact.

(2) A description of the source's processes and products (by Standard Industrial Classification Code) including any associated alternative scenario identified by the source.

(3) The following emission related information:

(i) All emissions of pollutants for which the source is major, and all emissions of regulated air pollutants. A permit application shall describe all emissions of regulated air pollutants emitted from any emissions unit, except where such units are exempted under this paragraph (c) of this section. The permitting authority shall require additional information related to the emissions of air pollutants sufficient to verify which requirements are applicable to the source, and other information necessary to collect any permit fees owed under the fee schedule approved pursuant to §70.9(b) of this part.

(ii) Identification and description of all points of emissions described in paragraph (c)(3)(i) of this section in sufficient detail to establish the basis for fees and applicability of requirements of the Act.

(iii) Emissions rate in tpy and in such terms as are necessary to establish compliance consistent with the applicable standard reference test method.

(iv) The following information to the extent it is needed to determine to regulate emissions: Fuels, fuel use, raw materials, production rates, and operating schedules.

(v) Identification and description of air pollution control equipment and compliance monitoring devices or activities.

(vi) Limitations on source operation affecting emissions or any work practice standards, where applicable, for all regulated pollutants at the part 70 source.

(vii) Other information required by any applicable requirement (including information related to stack height limitations developed pursuant to section 123 of the Act.)

(viii) Calculations on which the information on paragraphs (c)(3)(i) through (c)(3)(vii) of this section is based.

(4) The following air pollution control requirements:

(i) Citation and description of all applicable requirements, and

(ii) Description of or reference to any applicable test method for determining compliance with each applicable requirement.

(5) Other specific information that may be necessary to implement and enforce other applicable requirements of the Act or of this part or to determine the applicability of such requirements.

(6) An explanation of any proposed exemptions from otherwise applicable requirements.

(7) Additional information as determined to be necessary by the permitting authority to define alternative operating scenarios identified by the source pursuant to § 70.6(a)(9) of this part or to define permit terms and conditions implementing § 70.4(b)(12) or § 70.6(a)(10) of this part.

(8) A compliance plan for all part 70 sources that contains all the following:

(i) A description of the compliance status of the source with respect to all applicable requirements.

(ii) A description as follows:

(A) For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.

(B) For applicable requirements that will become effective during the permit term, a statement that the source will meet such requirements on a timely basis.

(C) For requirements for which the source is not in compliance at the time or permit issuance, a narrative description of how the source will achieve compliance with such requirements.

(iii) A compliance schedule as follows:

(A) For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.

(B) For applicable requirements that will become effective during the permit term, a statement that the source will meet such requirements on a timely basis. A statement that the source will meet in a timely manner applicable requirements that become effective during the permit term shall satisfy this provision, unless a more detailed schedule is expressly required by the applicable requirement.

(C) A schedule of compliance for sources that are not in compliance with all applicable requirements at the time of permit issuance. Such a schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with any applicable requirements for which the source will be in noncompliance at the time of permit issuance. This compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the source is subject. Any such schedule of compliance shall be supplemental to and shall not sanction noncompliance with, the applicable requirements on which it is based.

(iv) A schedule for submission of certified progress reports no less frequently than every 6 months for sources required to have a schedule of compliance to remedy a violation.

(v) The compliance plan content requirements specified in this paragraph shall apply and be included in the acid rain portion of a compliance plan for an affected source, except as specifically superseded by regulations promulgated under title IV of the Act with regard to the schedule and method(s) the source will use to achieve compliance with the acid rain emissions limitations.

(9) Requirements for compliance certification, including the following:

(i) A certification of compliance with all applicable requirements by a responsible official consistent with paragraph (d) of this section and section 114(a)(3) of the Act;

(ii) A statement of methods used for determining compliance, including a description of monitoring, record keeping, and reporting requirements and test methods;

(iii) A schedule for submission of compliance certifications during the permit term, to be submitted no less frequently than annually, or more frequently if specified by the underlying applicable requirement or by the permitting authority; and

(iv) A statement indicating the source's compliance status with any applicable enhanced monitoring and compliance certification requirements of the Act.

(10) The use of nationally-standardized forms for acid rain portions of permit applications and compliance plans, as required by regulations promulgated under title IV of the Act.

(d) Any application form, report, or compliance certification submitted pursuant to these regulations shall contain certification by a responsible official of truth, accuracy, and completeness. This certification and any other certification required under this part shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

ATTACHMENT 2

DECEMBER 14, 2011 FEDERAL REGISTER NOTICE

76 FR 77820

**77820 Federal Register** / Vol. 76, No. 240 / Wednesday, December 14, 2011 / Notices

**ENVIRONMENTAL PROTECTION AGENCY**

**[EPA–HQ–OAR–2004–0015 and EPA–HQ–OAR–2004–0016; FRL–9506–5]**

**Agency Information Collection Activities; Proposed Collections; Comment Request; State Operating Permit Program (Renewal) and Federal Operating Permit Program (Renewal)**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*), this document announces that the EPA is planning to submit a request to renew two existing approved Information Collection Requests (ICR) to the Office of Management and Budget (OMB). The two ICRs are scheduled to expire on April 30, 2012. Before submitting the two ICRs to OMB for review and approval, the EPA is soliciting comments on specific aspects of the proposed information collections as described below.

**DATES:** Comments must be submitted on or before February 13, 2012.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA–HQ–OAR–2004–0015 (for the part 70 state program) or Docket ID No. EPA–HQ–OAR–2004–0016 (for the part 71 Federal program), by one of the following methods:

• *http://www.regulations.gov:* Follow the on-line instructions for submitting comments.

• *Email: a-and-r-docket@epa.gov.*

• *Fax:* (202) 566–9744.

• *Mail:* U.S. Environmental Protection Agency, Air and Radiation Docket and Information Center, Mailcode: 2822T, 1200 Pennsylvania Ave. NW., Washington, DC 20460. Attention: Docket ID No. EPA–HQ–OAR–2004–0015 (for Part 70) or Docket ID No. EPA–HQ–OAR–2004–0016 (for Part 71). Please include a total of two copies.

• *Hand Delivery:* EPA Docket Center, Public Reading Room, EPA West, Room 3334, 1301 Constitution Ave. NW., Washington, DC 20460. Such deliveries are only accepted during the Docket’s normal hours of operation, and special arrangements should be made for deliveries of boxed information.

*Instructions:* Direct your comments to Docket ID No. EPA–HQ–OAR–2004–0015 for the ICR renewal for the part 70 state permitting program or EPA–HQ–OAR–2004–0016 for the ICR renewal for the part 71 Federal (EPA) permitting program. The EPA’s policy is that all comments received will be included in the public docket without change and may be made available online at *http://www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *http://www.regulations.gov* or email. The *http://www.regulations.gov* Web site is an ‘‘anonymous access’’ system, which means the EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to the EPA without going through *http://www.regulations.gov,* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, the EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If the EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, the EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption and be free of any defects or viruses. For additional information about the EPA’s public docket, visit the EPA Docket Center homepage at *http://www.epa.gov/epahome/dockets.htm.*

**FOR FURTHER INFORMATION CONTACT:** Mr. Jeff Herring, Air Quality Policy Division, Office of Air Quality Planning and Standards (C504–05), Environmental Protection Agency, Research Triangle Park, North Carolina 27711; telephone number: (919) 541–3195; fax number: (919) 541–5509; email address: *herring.jeff@epa.gov.*

**SUPPLEMENTARY INFORMATION:**

**How can I access the docket and/or submit comments?**

The EPA has established a public docket for the Part 70 ICR renewal under Docket ID No. EPA–HQ–OAR–2004–0015 and a public docket for the Part 71 ICR renewal under Docket ID No. EPA–HQ–OAR–2004–0016, which are 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, Room 3334, 1301 Constitution Ave., NW., Washington, DC The EPA/DC 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 Public Reading Room is (202) 566–1744. Use *http://www.regulations.gov* to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the docket and access those documents in the public docket that are available electronically. Once in the system, select ‘‘search,’’ then key in the docket ID number identified in this document.

**What information is the EPA particularly interested in?**

Pursuant to section 3506(c)(2)(A) of the PRA, the EPA specifically solicits comments and information to enable it to:

(i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) Evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(iii) Enhance the quality, utility and clarity of the information to be collected; and

(iv) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses. In particular, the EPA is requesting comments from very small businesses (those that employ less than 25) on examples of specific additional efforts that the EPA could make to reduce the paperwork burden for very small businesses affected by this collection.

**What should I consider when I prepare my comments for the EPA?**

You may find the following suggestions helpful for preparing your comments:

1. Explain your views as clearly as possible and provide specific examples.

2. Describe any assumptions that you used.

3. Provide copies of any technical information and/or data you used that support your views.

4. If you estimate potential burden or costs, explain how you arrived at the estimate that you provide.

5. Offer alternative ways to improve the collection activity.

6. Make sure to submit your comments by the deadline identified under DATES.

7. To ensure proper receipt by the EPA, be sure to identify the docket ID number assigned to this action in the subject line on the first page of your response. You may also provide the name, date, and **Federal Register** citation.

**What information collection activity does this apply to?**

*Affected entities:* Entities potentially affected by this action are those which must apply for and obtain an operating permit under title V of the Clean Air Act (Act). These, in general, include sources which are defined as ‘‘major’’ under any title of the Act.

*Title:* Part 70 State Operating Permit Program (Renewal) and Part 71 Federal Operating Permit Program (Renewal).

*ICR number:* For the Part 70 regulations, EPA ICR No. 1587.12 and OMB Control No. 2060–0243. For the Part 71 regulations, EPA ICR No. 1713.10 and OMB Control No. 2060–0336.

*ICR status:* The two ICRs are both scheduled to expire on April 30, 2012.

*Abstract:* Title V of the Act requires states to develop and implement a program for issuing operating permits to all sources that fall under any Act definition of ‘‘major’’ and certain other non-major sources that are subject to federal air quality regulations. The Act further requires the EPA to develop regulations that establish the minimum requirements for those state operating permits programs, to oversee implementation of the state programs, and to operate a federal operating permits program in areas not subject to an approved state program. An agency may not conduct or sponsor, and a

person is not required to respond to, a collection of information request unless it displays a currently valid OMB control number. The OMB control numbers for the EPA’s regulations in 40 CFR are listed in 40 CFR part 9 and 48 CFR chapter 15. The EPA regulations setting forth requirements for the state operating permit program are at 40 CFR part 70 and the EPA regulations setting forth the requirements for the federal (EPA) operating permit program are at 40 CFR part 71. The part 70 program is designed to be implemented primarily by state and local permitting authorities in all areas where they have jurisdiction. The part 71 program is designed to be implemented primarily by the EPA in all areas where state and local agencies do not have jurisdiction, such as Indian Country and offshore beyond states’ seaward boundaries.

In order to receive an operating permit for a major or other source subject to either of the permitting programs, the applicant must conduct the necessary research, perform the appropriate analyses and prepare the permit application with documentation to demonstrate that their project meets all applicable statutory and regulatory requirements. Specific activities and requirements are listed and described in the Supporting Statements for the two ICRs.

State and local agencies under part 70 and the EPA (or a delegate agency) under part 71 review permit applications, provide for public review of proposed permits, issue permits based on consideration of all technical factors and public input, and review information submittals required of sources during the term of the permit. Also, under part 70, the EPA reviews certain actions of the state and local agencies and provides oversight of the programs to ensure that they are being adequately implemented and enforced. Under part 71, the EPA reviews certain actions and performs oversight for any delegate agency, consistent with the terms of a delegation agreement. Consequently, information prepared and submitted by sources is essential for sources to receive permits, and for Federal, state, and local permitting agencies to adequately review the permit applications and thereby properly administer and manage the program.

Since the previous renewal of this ICR, the EPA has promulgated two changes to the part 70 and 71 regulations: the Flexible Air Permits rule and the Greenhouse Gas (GHG) Tailoring rule. The first rule provides a mechanism for sources to establish provisions in their operating permits that result in fewer permit revisions necessary during the term of the permit. The second rule establishes levels where GHG emissions trigger permitting requirements. The information collection requirements for these regulatory revisions were approved by OMB after the approval of the 2007 ICR renewal and those approved changes are included and updated in these ICR renewals. Also, the previous part 71 ICR renewal identifed the EPA as the sole permitting authority, while this part 71 renewal identifies the EPA and one delegate agency, the Navajo Nation, as permitting authorities (the EPA continues to serve as a permitting authority in all areas, while the delegate agency serves as a permitting authority in a limited portion of Indian country).

Information that is collected is handled according to the EPA’s policies set forth in title 40, chapter 1, part 2, subpart B—Confidentiality of Business Information (see 40 CFR part 2). See also section 114(c) of the Act.

*Burden Statement:* 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. The annual public reporting and recordkeeping burden for the collection of information under parts 70 and part 71 is broken down as follows:

|  |  |  |
| --- | --- | --- |
| Type of permit action | Part 70 | Part 71 |
| Permitting Authority:  Number of Sources.............................................................................................  Burden Hours per Response:  Sources...............................................................................................................  Permitting Authority.........................................................................................  Total Annual Burden Hours:  Sources...............................................................................................................  Permitting Authority......................................................................................... | 15,940  250  84  3,977,118  1,334,766 | 174  215  94  37,413  1,318a |
| Any minor discrepencies are due to rounding. |  |  |
| a Only delegate agency burden is shown for part 71. |  |  |

*Respondents/Affected Entities:* Industrial plants (sources); state, local, and tribal permitting authorities.

*Estimated Number of Respondents:* For part 70, there are 15,940 sources and 112 state and local permitting authorities. For part 71, there are 174 industry sources and 1 tribal delegate permitting authority (the EPA serves as a permitting authority but is not a respondent).

*Estimated Total Annual Burden:* For part 70, the total annual burden for sources and state and local permitting authorities is 5,311,884 hours and the total annual cost is $226,736,622. For part 71, the total annual burden for sources and the one delegate agency (tribal) is 38,731 hours and the total annual cost is $1,865,183.

**Are there changes in the estimates from the last approval?**

Since the last renewal of the part 70 ICR (in 2007), there is a decrease of 214 thousand hours (or about a 4 percent decrease) of annual respondent burden. This change is primarily due to an updated estimate of the number of permits expected compared to the last ICR renewal. To a lesser extent, this decrease is due to reduced permit renewal activity related to implementation of the Flexible Permits rule. Although the GHG Tailoring rule increased the number of source respondents by 552, the increase in burden was more than offset by the decrease in burden from the updated estimate of the number of permits and the decreased burden from the implementation of the Flexible Air Permits rule. Also, the annual per respondent burden has changed very little since the last part 70 ICR renewal (248 hours previously compared to the new estimate of 250 hours or about a 1 percent increase).

Since the last renewal of the part 71 ICR (in 2007), there is an increase of 10 thousand hours of total annual respondent burden (about a 36 percent increase). This is primarily due to an updated estimate of the number of permits expected (123 permits in the prior renewal versus 174 permits in this renewal or a 42 percent increase), which is due to increased energy development (oil and gas exploration and alternative energy development) in offshore areas under the EPA jurisdiction. In the current part 71 renewal, the Flexible Air Permits rule and the GHG Tailoring rule result in nearly offseting decreases and increases in burden. Also, even though the total annual burden has increased compared to the prior ICR renewal, the annual per source burden has decreased by about 3 percent.

**What is the next step in the process for this ICR?**

The EPA will consider the comments received and amend the ICR as appropriate. The final ICR package will then be submitted to OMB for review and approval pursuant to 5 CFR 1320.12. At that time, the EPA will issue another **Federal Register** notice pursuant to 5 CFR 1320.5(a)(1)(iv) to announce the submission of the ICRs to OMB and the opportunity to submit additional comments to OMB. If you have any questions about this ICR or the approval process, please contact the technical person listed under **FOR FURTHER INFORMATION CONTACT.**

Dated: December 8, 2011.

**Mary E. Henigin,**

*Acting Office Director, Office of Air Quality Planning and Standards.*

[FR Doc. 2011–32062 Filed 12–13–11; 8:45 am]

**BILLING CODE 6560–50–P**

1. All definitions of “major” in the Act. [↑](#footnote-ref-1)
2. This involves writing permit terms that reflect the “applicable requirements” that apply to sources. These “applicable requirements” (e.g., NSPS and NESHAP) are not required by part 70; they are required by other federal rules and their burden is counted in the ICRs for those rules. Nevertheless, writing permit terms to reflect those requirements is a part 70 burden. Also, part 70 burden includes imposing additional monitoring through part 70, such as gap-filing monitoring (see 504(c) of the Act and 40 CFR 70.6(a)(3)(i)). [↑](#footnote-ref-2)
3. May, 1995, United States Environmental Protection Agency, Part 71 Information Collection Request, p 19. [↑](#footnote-ref-3)
4. Environmental Engineer hourly wages obtained from “Occupational Employment Statistics, Occupational Employment and Wages, May, 2010, 17-2081 Environmental Engineers,” U.S. Dept. of Commerce, BLS. (<http://www.bls.gov/oes/current/oes172081.htm> accessed March 2012) [↑](#footnote-ref-4)
5. Environmental Engineering Technician hourly wages obtained from “Occupational Employment Statistics, Occupational Employment and Wages, May, 2010, 17-3025 Environmental Engineering Technicians,” U.S. Dept. of Commerce, BLS. (<http://www.bls.gov/oes/current/oes173025.htm> accessed March 2012) [↑](#footnote-ref-5)
6. Employment Cost Indexes for sources obtained from “Employment Cost Index Historical Listing, Current-dollar, March 2001–December 2011 (December 2005=100), Table 2. Employment Cost Index for wages and salaries, by occupational group and industry (Seasonally adjusted),” U.S. Dept. of Commerce, BLS, pg. 21 Private Industry Workers - All Workers. (<http://www.bls.gov/web/eci/echistrynaics.pdf> accessed March 2012) [↑](#footnote-ref-6)
7. Federal Labor Cost obtained from U.S. Office of Personnel Management 2012 General Schedule Table 2012-GS. Hourly labor rate assumed is GS-12, Step 5 (Technical Labor). [↑](#footnote-ref-7)
8. A proposed rule concerning Step 3 of the GHG Tailoring rule was published on March 8, 2012 (77 FR 14226), which would not change the applicability threshold that was promulgated for Step 2. Step 3 is scheduled to take effect in July of 2013. [↑](#footnote-ref-8)
9. Note that we did not include administrative permit modifications because there is no requirement for EPA review and they do not involve substantive changes. [↑](#footnote-ref-9)