SUPPORTING STATEMENT
ENVIRONMENTAL PROTECTION AGENCY

NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Final Rule)

1. Identification of the Information Collection

1(a) Title of the Information Collection

National Emission Standards for Hazardous Air Pollutants (NESHAP) for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH), EPA ICR Number 2440.02, OMB Control Number 2060-0671.

1(b) Short Characterization/Abstract

The amendments to this ICR are a result of the review of the existing NESHAP for Oil and Natural Gas Production (40 CFR part 63, Subpart HH) as required by the Clean Air Act. The NESHAP published at 40 CFR part 63, subpart HH were proposed on February 06, 1998, and promulgated on June 17, 1999 only for major sources. On July 8, 2005, a supplemental proposal was published for area sources with the final rule effective date on January 03, 2007. The current proposed rulemaking applies to existing and new facilities that are major sources. A major source of hazardous air pollutants (HAP) is one that has the potential to emit, 10 tons or more of any one hazardous air pollutant or 25 tons or more of total HAP per year; an area source is one with the potential to emit less than this. This information is being collected to assure compliance with 40 CFR part 63 subpart HH.

In general, all NESHAP standards require initial notifications, performance tests, and periodic reports by the owners/operators of the affected facilities. These notifications, reports, and records are essential in determining compliance, and are required of all affected facilities subject to NESHAP. Semiannual summary reports are also required.

The final rulemaking would amend title 40, chapter I, part 63 subpart HH to include, emission sources for which standards were not previously developed. We are proposing these standards for these emission sources pursuant to CAA section 112(d)(2) and (3). Therefore, the

number of affected facilities under this subpart is expected to increase for major sources. The overall change in burden found in this ICR reflect the provision changes, an update in the cost of labor, and corrections to the number of affected facilities found in EPA ICR number 1788.09.

The period considered in this ICR and throughout this supporting statement is the first three years following the promulgation of the amended Oil and Natural Gas Production NESHAP. The estimates of the size of the regulated universe are based on data from the National Emissions Inventory (NEI) database. Over the three year period, we expect 75 existing major source facilities to become new respondents. In addition, we expect a total of 9 new major source facilities to become subject over the three year period. The average annual burden from the recordkeeping and reporting requirements is 45,365 person hours, with an annual average cost of $1,546,335 and an annual capital and O&M cost of $98,197.

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under section 112 of the Clean Air Act, as amended, to establish standards of performance for each category or subcategory of major sources and area sources of hazardous air pollutants (HAP). These standards are applicable to new or existing sources of HAP and shall require the maximum degree of emission reduction. In addition, section 114(a) states that the Administrator may require any owner or operator subject to any requirement of this Act to:

> (A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3);

and (G) provide such other information as the Administrator may reasonably require.

In the Administrator's judgment, HAP emissions from oil and natural gas production facilities cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, the NESHAP standards were promulgated for this source category at 40 CFR part 63, subpart HH.

2(b) Practical Utility/Users of the Data

The recordkeeping and reporting requirements in the standard ensure compliance with the applicable regulations which were promulgated in accordance with the Clean Air Act. In addition, the collected information is used for targeting inspections and as evidence in legal proceedings.

Performance tests are required in order to determine an affected facility’s initial capability to comply with the emission standard. Continuous emission monitors are used to ensure compliance with the standard at all times. During the performance tests, a record of the operating parameters under which compliance was achieved may be recorded and used to determine compliance in place of a continuous emission monitor.

The notifications required in the standard are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to ensure that the pollution control devices are properly installed and operated, that leaks are being detected and repaired, and that the standards are being met. The performance test may also be observed.

The required semiannual reports are used to determine periods of excess emissions, identify problems at the facility, verify operation/maintenance procedures, and for compliance determinations.

The information generated by the monitoring, recordkeeping and reporting requirements described in this ICR is used by the Agency to ensure that facilities affected by the NESHAP continues to operate the control equipment in compliance with the regulation.

3. Non-duplication, Consultations, and Other Collection Criteria

3(a) Non-duplication

A search of EPA's existing standards and ongoing ICR's revealed no duplication of information gathering efforts. However, certain reports required by State or local agencies may duplicate information required by this NESHAP. In these cases, a copy of the report submitted to the State or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, no duplication exists.

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

EPA will provide public comment by means of a Federal Register Notice of Final Rulemaking.

3(c) Consultations

During the previous ICR renewal, Industry trade associations and other interested parties were provided an opportunity to comment on the burden associated with the standard as it was being developed. We contacted the Independent Petroleum Association of America (IPAA) at (202) 857-4722, and the American Gas Association (AGA) at (202) 824-7000.

3(d) Effects of Less Frequent Collection

Less frequent information collection would decrease the margin of assurance that facilities are continuing to meet the standards. Requirements for information gathering and recordkeeping are useful techniques to ensure that good operation and maintenance practices are applied and emission limitations are met. If the information required by these standards was collected less frequently, the proper operation and maintenance of control equipment and the possibility of detecting violations would be less likely.

3(e) General Guidelines

These reporting or recordkeeping requirements are consistent with the regulations established by OMB at 5 CFR part 1320, section 1320.5, expect for the maximum length of

maintaining records.

These standards require the respondents to maintain all records, including reports and notifications for at least five years. This is consistent with the General Provisions as applied to the standards. EPA believes that the five-year records retention requirement is consistent with the Part 70 permit program and the five-year statute of limitations on which the permit program is based. The retention of records for five years allows EPA to establish the compliance history of a source, any pattern of non-compliance, and to determine the appropriate level of enforcement action. EPA has found that the most flagrant violators have violations extending beyond the five years. Without the five-year record retention, EPA would be prevented from pursuing the violators due to the destruction or nonexistence of essential records.

3(f) Confidentiality

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in title 40, chapter 1, part 2, subpart B - Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

3(g) Sensitive Questions

None of the reporting or recordkeeping requirements contain sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents

The respondents to the recordkeeping and reporting requirements are oil and natural gas production. The North American Industry Classification System (NAICS) codes are 211112 for "Natural Gas Liquid Extraction" and 211111 for "Crude Petroleum and Natural Gas Extraction."

4(b) Information Requested

(i) Data Items

The standards are based on add-on control devices and pollution prevention measures to reduce HAP emissions. In order to demonstrate continuous compliance with the standards, certain facilities must use the continuous parameter monitoring systems (CPMS). Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping at a plant site.

A source must make the following reports:

Notifications	
Initial notification	63.775(b)(1), 63.9(b)(2) major source, 63.775(c)(1) area source
Notification of intent to construct/reconstruct	63.5(d), 63.9(b)(4) major source 63.9(b)(5) area source
Notification of actual startup date	63.9(b)(4), 63.9(b)(5)(ii) major source 63.9(b)(5) area source
Notification of date of CMS performance evaluation	63.775(b)(2), 63.8(e)(2), 63.9(g)(1) major source 63.775 (c)(2) area source
Notification of intent to conduct a performance test	63.775(b)(3), 63.7(b), 63.9(e) major source 73.775(c)(3) area source
Notification of compliance status	63.775(b)(4), 63.9(h), 63.775(d), major source 63.775(c)(4) area source
Periodic reports	63.775(b)(5), 63.769(c), 63.772(f) major source 63.775(c)(5) area source
Results of performance test	63.7(g), 63.10(d)(2)
Notification of change in compliance demonstration method for control device performance	63.772(f)
Notification of process change	63.775(f)
Semiannual excess emissions and continuous monitoring system performance report	63.8(c)(8), 63.10(e)(3)
Semiannual HAP summary report	63.10(e)(3)

A source must keep the following records:

Recordkeeping	
Record retention	63.10(b)(1), 63.774(b)(1)
Copies of notifications and reports and supporting documentation	63.10(b)(2)(xiv)
Records of performance tests, other compliance demonstrations, and performance evaluations (area sources)	63.10(b)(2)(vii)-(ix)
Record related to control equipment inspections (area sources)	63.774(b)(5-8) 63.773(c)(7)
Records related to CMS (area sources)	63.10(b)(2)(vi), (x), (xi), 63.10(c), 63.774(b)(3-4)
Records required if complying via process modification (area sources)	63.774(b)(10-11), 63.771(e)
Records required if complying via benzene emission limit (area sources)	63.774(c)
Records related to equipment that is exempt or subject to other standards	63.764(e), 63.774(d) 63.774(b)(9)
Records of exempt glycol dehydration units	63.764(e)(1), 63.774(d)(1)
Records of exempt ancillary equipment and compressors	63.764(e)(2), 63.774(d)(2)
Records of glycol dehydration unit baseline operations (alternative standards)	63.771(e)(1), 63.774(b)(10)
Records of conditions for which glycol dehydration unit baseline operations shall be modified to achieve 95% HAP emission reduction (alternative standards)	63.771(e)(2), 63.774(b)(11)
Records to demonstrate that glycol dehydration unit operates under conditions for HAP reduction (alternative standards)	63.771(e)(3), 63.774(b)(11)
Documentation of condenser design analysis	63.769(c), 63.772(e)(4)
Records of control device operating parameters – continuous and daily average (except flares)	63.774(b)(4)(i-ii)
Records of flare design, visible emissions, heat content, flow-rate, exit velocity, pilot flame outages (flares only)	63.774(b)(4)(i-ii), 63.774(e)
Records of 365 days rolling average condenser efficiency (condensers only)	63.774(b)(4)(ii)(B)
Records of flow indicator operation, flow detection, vent stream diversions	63.774(b)(4)(iii)
Records of inspections of seals or closure mechanisms, records of broken/changed/checked out seals/valves/locks	63.774(b)(4)(iv)
Records of unsafe-to-inspect parts	73.773(c)(7), 63.774(b)(5)
Records of difficult-to-inspect parts	63.773(c)(7), 63.774(b)(6)
Records of leak or defect detection and repair	63.769(c), 61.246, 63.773(c)(7), 63.774(b)(7)
Records of inspections during which no leaks or defects were detected	63.773(c)(7), 63.774(b)(8)

Recordkeeping	
Records of compliance with benzene emission limit (alternative standards)	63.774(c)
Site-specific performance evaluation test plan	63.7(c)(2), 63.8(d)(2), 63.8(e)(3)(i)
Records of results of performance test	63.7(g)(3)
Continuous monitoring system quality control program	63.8(d)
Records of continuous monitoring system performance	63.10(c)

(ii) Respondent Activities

Respondent Activities
Read instructions.
Gather relevant information.
Perform initial performance test and repeat performance tests if necessary.
Write the notifications and reports listed above.
Enter information required to be recorded above.
Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.
Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.
Develop, acquire, install, and utilize technology and systems for the purpose of 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.
Transmit, or otherwise disclose the information.

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

5(a) Agency Activities

EPA conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information.

Agency Activities
Observe initial performance tests and repeat performance tests if necessary.
Review notifications and reports, including performance test reports, excess emissions reports, required to be submitted by industry.
Audit facility records.
Maintain data in the CDX

5(b) Collection Methodology and Management

Information contained in the reports will be required to submit records electronically to EPA's Central DATA Exchange (CDX) using the Electronic Reporting Tool. The Central Data Exchange (CDX) enables fast, efficient and more accurate environmental data submissions from state and local governments, industry and tribes to the Environmental Protection Agency (EPA) and participating program offices. EPA's CDX is the point of entry on the Environmental Information Exchange Network (Exchange Network) for environmental data submissions to the Agency. CDX works with both EPA program offices looking for a way to better manage incoming data, and stakeholders looking for a way to reduce burden from reporting requirements.

5(c) Small Entity Flexibility

The majority of the respondents are large entities (i.e., large businesses). However, the impact on small entities (i.e., small businesses) was taken into consideration during the development of the regulation. Due to technical considerations involving the process operations and the types of control equipment employed, the recordkeeping and reporting requirements are the same for both small and large entities. The Agency considers these to be the minimum requirements needed to ensure compliance and, therefore, cannot reduce them further for small entities.

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown below in Table 1: Annual Respondent Burden - NESHAP for Oil and Natural Gas

Production (40 CFR Part 63, Subpart HH) (Revised)

6. Estimating the Burden and Cost of the Collection

Table 1 documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the subpart included in this ICR. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Wherever appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The 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.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 45,365 (Total Labor Hours from Table 1). These hours are based on Agency studies and background documents from the development of the regulation, Agency knowledge and experience with the NESHAP program, the previously approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses the following labor rates: $33.51 per hour for technical labor, $52.85 per hour for management labor, and $23.43 for clerical labor. The rates have already been increased by 110 percent to account for the benefit packages available to those employed by private industry. These rates are from the *Employer Costs for Employee Compensation Historical Listing March 2004 – December 2010* published by the Bureau of Labor and Statistics and represents the state of the industry in 2008. This is consistent with the control costs associated with the proposed revisions to subpart HH (Source: ftp://ftp.bls.gov/pub/special.requests/ocwc/ect/ececqrtn.pdf).

(ii) Estimating Capital/Startup and Operation and Maintenance Costs

subject standard are labor costs which are addressed elsewhere in this ICR and the costs associated with continuous monitoring. The capital/startup costs are one-time costs when a facility becomes subject to the regulation. The annual operation and maintenance costs are the ongoing costs to maintain the monitor and other costs such as photocopying and postage.

(iii) Capital/Startup vs. Operation and Maintenance (O&M) Costs

Capital/Startup vs. Operation and Maintenance (O&M) Costs						
(A) Continuous Monitoring Device	(B) Capital/ Startup Cost for One Respondent	(C) Number of New Respondents	(D) Total Capital/ Startup Cost (B X C)	(E) Annual O&M Costs for One Respondent	(F) Number of Respondents with O&M[b]	(G) Total O&M, (E X F)
Monitoring equipment (CMS)	$1,015	31	$31,465	$134	498	$66,732
Total			$31,465			$66,732

a. We assume all new major sources and 2 percent of new area sources purchase the equipment.

b. We assume the average number of existing major sources have annual O&M costs.

The total capital/startup costs for this ICR are $31,465. This is the total of column D in the above table.

The total operation and maintenance (O&M) costs for this ICR are $66,732. This is the total of column G.

The average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be $98,197.

(iv) Affirmative Defense/Root Cause Analysis/Malfunction Costs.

The EPA's estimate for an affirmative defense and root cause analysis in the table below is based on general experience to calculate the time and effort required of a source to review relevant data, interview plant employees, and reconstruct the events prior to a malfunction in order to determine primary and contributing causes. The level of effort also includes time to produce and retain the report in document form so that the source will have it available should EPA or state enforcement agencies ever request to review it.

The labor rates used for these costs are from the United States Department of Labor, Bureau of Labor Statistics, September 2009, Table 2, Civilian Workers, by occupational and industry group. The rates are from column 1, Total compensation. The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

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

6(c) Estimating Agency Burden and Cost

The only costs to the Agency are those costs associated with analysis of the reported information. The EPA compliance and enforcement program includes activities such as: the examination of records maintained by the respondents; periodic inspection of sources of emissions; and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is estimated to be $142,585.

This cost is based on the average hourly labor rate as follows:

Managerial $62.27 (GS-13, Step 5, $38.92 + 60%)

Technical $46.21 (GS-12, Step 1, $28.88 + 60%)

Clerical $25.01 (GS-6, Step 3, $15.63 + 60%)

These rates are from the Office of Personnel Management (OPM), 2010 General Schedule, which excludes locality rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear below in Table 2: Average Annual EPA Burden - NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised).

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

The number of area source respondents is derived from information in EPA ICR number and EPA ICR number 1788.08, section 4 (b) (ii).

The number of major source respondents was updated based on the NEI database, which was used during the analysis to determine the MACT. The number of respondents is calculated using the following table which addresses the 3 years covered by this ICR. Over the three year period of this ICR, we expect 75 existing major source facilities to become new respondents. In addition, we expect 9 new major source facilities to become subject over the three year period.

The total number of annual responses per year is calculated using the following table:

YEAR	(A)			(B)		(C)	(E)	(F)	(G)
	Number of New Respondents [1 & 2]			Number of Existing Respondents[3]		Number of Existing Respondents That Are Also New Respondents [4]	Total Number of Respondents (E=A+B)	Number of Respondents that Only Maintain Records[5]	Number of Respondents That Submit Records
	Major	Area	Area Only Keep Records	Major	Area				
1	28	3	138	470	2,927	25	3,566	3,003	563
2	28	3	138	498	3,068	25	3,735	3,141	594
3	28	3	138	526	3,209	25	3,904	3,279	625
Avg	28	3	138	498	3,068	25	3,735	3,141	594

[1] New respondents include sources with constructed or reconstructed affected facilities.
[2] We assume that there are 141 new area sources and 28 new major sources for a total of 169 new sources each year.
[3] We assume there are 3,068 existing area sources and 626 existing major sources.
[4] We estimate 25 of the new major sources are existing facilities, while 3 new major sources are at new facilities.
[5] We assume that 98 percent of area sources will only be required to maintain records. All major sources and 2 percent of area sources will maintain and submit reports.

Total Annual Responses				
(A) Information Collection Activity	**(B) Number of Respondents**	**(C) Number of Responses**	**(D) Number of Existing Respondents That Keep Records But Do Not Submit Reports**	**(E) Total Annual Responses E=(BxC)**
Affirmative Defense	13	1	N/A	13
Major sources				
Notification of construction/reconstruction	28	1	0	28
Notification of actual startup	28	1	0	28
Notification of date of CMS performance evaluation	28	1	0	28
Notification of date of performance test	28	1	0	28
Notification of compliance status report	28	1	0	28
Semiannual periodic report	526	2	0	1,052
Area sources				
Notification of intent to construct	3	1	0	3
Notification of actual startup date	3	1	0	3
Notification of intent to conduct performance test	16	1	0	16
Notification of date of CMS performance evaluation	16	1	0	16
Notification of compliance status	16	1	0	16
First periodic report	3	1	0	3
Subsequent periodic reports	66	1	0	66
Total Number of Annual Responses				1,328

The number of Total Annual Responses is 1,328.

The total annual labor costs are $1,546,335 for 45,365 labor hours. Details regarding these estimates may be found below in Table 1: Annual Respondent Burden and Cost - NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised).

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

The detailed bottom line burden hours and cost calculations for the respondents and the

Agency are shown in Tables 1 and 2, respectively, and summarized below.

(i) Respondent Tally

The total annual labor hours are 45,365. Details regarding these estimates may be found below in Table 1. Annual Respondent Burden and Cost - NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised).

Furthermore, the annual public reporting and recordkeeping burden for this collection of information is estimated to average 34 hours per response.

The total annual capital/startup and Operation and Maintenance (O&M) costs to the regulated entity are $98,197.

(ii) The Agency Tally

The average annual Agency burden and cost over next three years is estimated to be 3,119 labor hours at a cost of $142,585. See below Table 2: Annual Agency Burden and Cost – NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised).

6(f) Reasons for Change in Burden

The rulemaking would amend title 40, chapter I, part 63 subpart HH to include, emission sources for which standards were not previously developed. We are proposing these standards for these emission sources pursuant to CAA section 112(d)(2) and (3). Therefore, the number of affected facilities under this subpart is expected to increase for major sources. At this time, none of the proposed amendments will affect area sources. The overall change in burden found in this ICR reflect the provision changes, an update in the cost of labor, and corrections to errors found in EPA ICR number 1788.09.

The EPA also provides an adjustment to this ICR that estimates the costs of the notification, recordkeeping and reporting requirements associated with the assertion of the affirmative defense. The EPA’s estimate for the required notification, reports and records,

including the root cause analysis, associated with a single incident totals approximately $3,141 and is based on the time and effort required of a source to review relevant data, interview plant employees, and document the events surrounding a malfunction that has caused an exceedance of an emission limit. The estimate also includes time to produce and retain the records and reports for submission to the EPA. For the purpose of estimating the annual burden, the EPA is attributing a total of 39 instances of affirmative defense over a 3 year period across all sources in the category. The EPA is using this frequency of 39 events in 3 years, because of the number of excess emission events reported by source operators, only a small number would be expected to result from a malfunction, and only a subset of excess emissions caused by malfunctions would result in the source choosing to assert the affirmative defense. Thus we believe the number of instances in which source operators might be expected to avail themselves of the affirmative defense will be extremely small.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 34 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; to 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; to adjust the existing ways to comply with any previously applicable instructions and requirements; to train personnel to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to 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 valid OMB Control Number. The OMB Control Numbers for EPA’s regulations are listed at 40 CFR part 9 and 48 CFR chapter 15.

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

use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2010-0505. An electronic version of the public docket is available at http://www.regulations.gov/ which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the content of the docket, and to access those documents in the public docket that are available electronically. When in the system, select "search" than key in the docket ID number identified in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, N.W., Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center Docket is (202) 566-1742. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, N.W., Washington, DC 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2010-0505 and OMB Control Number 2060-0671 in any correspondence.

Part B of the Supporting Statement

This part is not applicable because no statistical methods were used in collecting this information.

Table 1: Annual Respondent Burden and Cost – NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised)

Burden item	(A) Person hours per occurrence	(B) No. of occurrences per respondent per year	(C) Person hours per respondent per year (C=AxB)	(D) Respondents per year [a]	(E) Technical person-hours per year (E=CxD)	(F) Management person hours per year (Ex0.05)	(G) Clerical person hours per year (Ex0.1)	(H) Total Cost Per year [b] ($)
1. Applications	N/A							
2. Surveys and studies	N/A							
3. Reporting requirements								
a. Read rule and instructions	1	1	1	169	169	8	17	$6,506
b. Required activities	N/A							
c. Create information	N/A							
d. Gather existing information	2	1	2	169	338	17	34	$13,011
e. Affirmative Defense	30	1	30	13	234	156	0	$40,833
Major sources								
i. Notification of construction/reconstruction	0.5	1	1	28	14	1	1	$539
ii. Notification of actual startup	0.5	1	1	28	14	1	1	$539
iii. Notification of date of CMS performance evaluation [c]	0.5	1	1	28	14	1	1	$539
iv. Notification of date of performance test	0.5	1	1	28	14	1	1	$539
v. Notification of compliance status report	4	1	4	28	112	6	11	$4,311
vii. Semiannual periodic report	4	2	8	526	4,208	210	421	$161,989
Area sources								
i. Notification of intent to construct	1	1	2	3	6	0	1	$231
ii. Notification of actual startup date	1	1	1	3	3	0	0	$115
iii. Notification of intent to conduct performance test [c]	1	1	2	16	32	2	3	$1,247
iv. Notification of date of CMS performance evaluation [e]	1	1	2	16	32	2	3	$1,247
v. Notification of compliance status	4	1	10	16	162	8	16	$6,236
vi. First periodic report [c]	4	1	4	3	12	1	1	$462
vii. Subsequent periodic reports [c]	2	1	2	66	132	7	13	$5,081
Subtotal for Reporting Requirements					**6,442**			**$243,427**
4 Recordkeeping requirements								

Burden item	(A) Person hours per occurrence	(B) No. of occurrences per respondent per year	(C) Person hours per respondent per year (C=AxB)	(D) Respondents per year [a]	(E) Technical person-hours per year (E=CxD)	(F) Management person hours per year (Ex0.05)	(G) Clerical person hours per year (Ex0.1)	(H) Total Cost Per year [b] ($)
a. Read instructions								
- Major source [d]	1	1	4	28	112	6	11	$4,311
- Area source [d]	1	1	4	141	564	28	56	$21,711
b. Plan activities								
- Major source	16	1	16	28	448	22	45	$17,246
- Area source								
i. Sources required to operate add-on controls	16	1	16	69	1,104	55	110	$42,499
ii. Sources required to implement MP	4	1	4	138	552	28	55	$21,250
c. Implement activities								
- Major source	N/A							
- Area source								
i. Performance test	35	1	35	9	315	16	32	$12,126
ii. Design analysis	12	1	12	61	732	37	73	$28,179
iii. Control equipment leak monitoring [e]	3	2	6	69	414	21	41	$15,937
iv. Operate and maintain CMS [e, f]	2	12	24	69	1,656	83	166	$63,749
d. Develop record system								
- Major source								
i. Control equipment	8	1	8	28	224	11	22	$8,623
ii. Equipment Inspection and Monitoring	13	1	13	526	6,838	342	684	$263,232
- Area source								
i. Control equipment	8	1	8	9	72	4	7	$2,772
e. Time to enter information								
- Major source								
i. Control equipment monitoring [g, h]	1	2	2	526	1,052	53	105	$40,497
ii. Control device CMS [g, h, i]	1	12	12	526	6,312	316	631	$242,984
iii. Equipment Inspection and Maintenance [h, i]	1	12	12	526	6,312	316	631	$242,984
- Area source								
i Control equipment leak monitoring [e, j]	1	2	2	69	138	7	14	$5,312
ii. CMS measurements [e]	1	12	12	69	828	41	83	$31,874
f. Time to train personnel								
- Major source	8	1	8	28	224	11	22	$8,623

Burden item	(A) Person hours per occurrence	(B) No. of occurrences per respondent per year	(C) Person hours per respondent per year (C=AxB)	(D) Respondents per year [a]	(E) Technical person-hours per year (E=CxD)	(F) Management person hours per year (Ex0.05)	(G) Clerical person hours per year (Ex0.1)	(H) Total Cost Per year [b] ($)
- Area source [k]	8	1	16	3	48	2	5	$1,848
g. Maintain records (area source) [e, l]	20	1	20	69	1,380	62	124	$53,124
h. Retain records of emission [m]	1	1	1	3,141	3,141	157	314	$120,904
i. Retrieve records/reports [n]	20	1	20	69	1,380	62	124	$53,124
Subtotal for Recordkeeping Requirements					**38,923**			**$1,302,908**
					33,846	**1,692**	**3,385**	
TOTAL LABOR BURDEN AND COST (rounded)					**45,365**			**$1,546,335**

Assumptions:

[a] We have assumed that the average number of reporting respondents that will be subject to this rule will be 3,735 during the reporting period, which consists of 3,068 existing area sources, 498 existing major sources and an additional 169 new sources. The majority of these respondents, 3,141, are not required to submit reports.

[b] This ICR uses the following labor rates: $33.51 per hour for technical labor, $52.85 per hour for management labor, and $23.43 for clerical labor. The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry. These rates are from the *Employer Costs for Employee Compensation Historical Listing March 2004 – December 2010* published by the Bureau of Labor and Statistics and represents the state of the industry in 2008, consistent with the control costs associated with the proposed rule. Source: ftp://ftp.bls.gov/pub/special.requests/ocwc/ect/ececqrtn.pdf

[c] We have assumed that the requirements do not apply to sources located outside of an urbanized area (UA)/urban cluster (UC) plus offset boundary.

[d] We have assumed that it will take each of the respondents four hours to read instructions.

[e] We have assumed that 66 existing area sources (e.g., 2% of existing area sources), and 3 new area sources will complete this activity.

[f] We have assumed that it will take each respondent two hours twelve times per year to implement this activity.

[g] We have assumed that it will take each of the respondents one hour to enter information.

[h] We assume that all of the major sources will each take one hour to enter information.

[i] We have assumed that each respondent will be required to enter information twelve times per year.

[j] We have assumed that each respondent will be required to enter information two times per year.

[k] We have assumed that 3 new respondents will each take 16 hours to train personnel.

[l] We have assumed that it will take 20 hours for each respondent to maintain records.

[m] We have assumed that all of the respondents that are subject only to the recordkeeping requirements will take one hour each year to process records of emissions.

[n] We have assumed that each respondent will take twenty hours once per year to retrieve records/reports.

Table 2: Average Annual EPA Burden - NESHAP for Oil and Natural Gas Production (40 CFR Part 63, Subpart HH) (Revised)

Activity	(A) EPA person-hours per occurrence	(B) No. of occurrences per plant per year	(C) EPA person-hours per plant per year (C=AxB)	(D) Plants per year [a]	(E) Technical person-hours per year (E=CxD)	(F) Management person-hours per year (Ex0.05)	(G) Clerical person-hours per year (Ex0.1)	(H) Cost, $ [b]
Major source								
Initial notification [c]	2	1	2	28	56	3	6	$2,944
Preconstruction review application [c]	4	1	4	28	112	6	11	$5,888
Performance test notification [c]	2	1	2	28	56	3	6	$2,944
Compliance status notification [c]	4	1	4	28	112	6	11	$5,888
Semiannual periodic reports [d]	2	2	4	526	2,104	105	210	$110,639
Area sources								
Notification of intent to construct	2	1	2	3	6	0	1	$315
Notification of actual startup date	2	1	2	3	6	0	1	$315
Notification of intent to conduct performance test [e]	2	1	2	16	32	2	3	$1,682
Notification of date of CMS performance evaluation [f]	2	1	2	16	32	2	3	$1,682
Notification of compliance status	4	1	4	16	64	3	6	$3,365
Periodic reports – new source[g]	2	1	2	66	132	7	13	$6,940
Subtotals Labor Burden and cost					**2,712**	**136**	**271**	**$142,585**
TOTAL ANNUAL BURDEN AND COST (rounded)					**3,119**			

Assumptions:

[a] We have assumed that the average number of reporting respondents that will be subject to this rule will be 3,735 during the reporting period, which consists of 3,068 existing area sources, 498 existing major sources and an additional 169 new sources. The majority of these respondents, 3,141, are not required to submit reports.

[b] The cost is based on the following labor rate which incorporates a 1.6 benefits multiplication factor to account for government overhead expenses. Managerial rates of $59.63 (GS-13, Step 5, $37.27 × 1.6), Technical rate of $47.20 (GS-12, Step 1, $29.50 × 1.6), and Clerical rate of $23.94 (GS-6, Step 3, $14.96 × 1.6). These rates are from the Office of Personnel Management (OPM), 2008 General Schedule, which excludes locality rates of pay.

[c] We have assumed that this is a one-time only activity for each facility.

[d] We have assumed that each respondent will take two hours two times per year to complete the semiannual periodic reports.
[e] We have assumed that each of the respondents will take two hours once per year to complete requirements.
[f] We have assumed that the requirements do not apply to sources located outside of an urbanized area (UA)/urban cluster (UC) plus offset boundary.
[g] We have assumed that each respondent will take two hours once per year to review reports.