

1 **Supporting Statement for a Request for OMB Review under**
2 **the Paperwork Reduction Act**
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5 **1. IDENTIFICATION OF THE INFORMATION COLLECTION**
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7 **1(a) Title of the Information Collection**
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9 **TITLE: Formaldehyde Emissions From Composite Wood Products, Third-**
10 **party Certification Framework, Recordkeeping and Reporting –**
11 **Proposed Rule (RIN 2070-AJ44)**
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13 **EPA ICR No.: 2441.01 OMB Control No: 2070-[NEW]**
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15 **1(b) Short Characterization**
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17 The Formaldehyde Standards for Composite Wood Products Act, which established Title
18 VI of the Toxic Substances Control Act (TSCA), set forth formaldehyde emission standards for
19 hardwood plywood, particleboard and medium-density fiberboard and directs EPA to promulgate
20 implementing regulations by January 2013. TSCA Title VI includes a provision directing EPA
21 to promulgate implementing regulations related to a third-party certification system for
22 composite wood panels. This consolidated ICR covers the recordkeeping and reporting
23 requirements for accreditation bodies and third-party certifiers that wish to participate in this
24 third-party certification program. It is a rule-related ICR for the Notice of Proposed Rulemaking
25 entitled “Third-Party Certification Framework for the Formaldehyde Standards for Composite
26 Wood Products Rule.” Additional information collection requests, such as those related to
27 disclosure requirements for panel producers and product labeling requirements, will be covered
28 later in a separate ICR.
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30 Some examples of proposed reporting and third-party reporting requirements include:
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- 32 • Product accreditation bodies that wish to participate in the program must submit an
33 application to become recognized by EPA.
- 34 • Laboratory accreditation bodies that wish to participate in the program must submit an
35 application to become recognized by EPA.
- 36 • Third-party certifiers that wish to participate in the program must submit an application
37 for accreditation to a recognized product accreditation body and a recognized laboratory
38 accreditation body.
- 39 • Recognized product accreditation bodies must submit an annual report to EPA on their
40 accreditation activities.
- 41 • Recognized laboratories accreditation bodies must submit an annual report to EPA on
42 their accreditation activities.
- 43 • TSCA Title VI accredited third-party certifiers must submit an annual report to their
44 accreditation body or bodies (product accreditation body and laboratory accreditation
45 body, if not the same entity) and to EPA on their TSCA Title VI accreditation activities.
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47 Examples of proposed recordkeeping requirements would include:

- 48 • Recognized accreditation bodies must retain checklists and other records documenting
49 compliance with the requirements for systems audits and on-site assessments of third-
50 party certifiers for 3 years.
- 51 • A TSCA Title VI accredited third-party certifier must retain a list of panel producers and
52 their respective product types, including resins used, that it has certified.
- 53 • A TSCA Title VI accredited third-party certifier must retain records on the results of
54 inspections, audits, and emission tests conducted for and linked to each panel producer
55 and product type.
- 56 • A TSCA Title VI accredited third-party certifier must retain a list of laboratories that they
57 use, test methods, including test conditions and conditioning time and test results.
- 58 • A TSCA Title VI accredited third-party certifier must retain records on the methods and
59 results for establishing test method correlations and equivalence.
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61 The information collected under this ICR would be used by EPA’s Regional
62 Administrators, the Office of Enforcement and Compliance Assurance (OECA), and/or the
63 Office of Chemical Safety and Pollution Prevention (OCSPP), as appropriate. Some of the
64 information would also be made available to the public via the internet. Confidential business
65 information (CBI) submitted to EPA will be maintained by the Agency pursuant to TSCA § 14
66 and 40 CFR Part 2.
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68 **2. NEED FOR AND USE OF THE COLLECTION**

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70 **2(a) Need/Authority for the Collection**

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72 The reporting and recordkeeping requirements of this consolidated ICR are implemented
73 under the authority of TSCA Title VI. TSCA Title VI directs EPA to promulgate regulations,
74 including provisions relating to “third-party testing and certification” in “a manner that ensures
75 compliance with the emission standards.” To meet its statutory obligations, EPA must obtain
76 sufficient information to establish and oversee a credible third-party certification program for
77 composite wood products. This information will help EPA ensure that all program participants
78 are carrying out their responsibilities diligently, impartially, and uniformly. The proposed
79 regulations aim to ensure consistent application of the requirements of TSCA Title VI by using
80 voluntary consensus standards as requirements, and by leveraging the expertise of international
81 accreditation bodies.
82

83 High quality third-party certifiers are essential in ensuring that domestic and foreign
84 composite wood panel producers supplying products to the U.S. have adequate quality assurance
85 and quality control procedures, are adequately testing their products to determine that they are
86 compliant, and are otherwise acting in manner that is consistent with the requirements of TSCA
87 Title VI. The reporting and record maintenance requirements in this ICR would help ensure that
88 all program participants remain qualified and are held accountable for their activities, and would
89 allow panel producers to obtain credible TSCA Title VI certifications for their regulated
90 composite wood products.
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92 **2(b) Use of the Data**

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94 EPA would use the information collected to evaluate the credentials of entities that wish
95 to participate in the program, oversee compliance with the program requirements, monitor issues
96 as they arise, and inform interested parties where they can obtain EPA-recognized TSCA Title
97 VI accreditation and certification services.
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100 **3. NON-DUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

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102 **3(a) Non-Duplication**

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104 TSCA Title VI assigns the responsibility for promulgating regulations that ensure
105 compliance with the statutorily established emission standards for formaldehyde from composite
106 wood products to the EPA Administrator. The information collection requirements addressed in
107 this ICR are not duplicative of any other Federal requirement. No other Federal agency requires
108 respondents to report or maintain information on their accreditation or certification activities
109 related to formaldehyde emissions from composite wood products.
110

111 EPA based the framework for this program on other Federal and State third-party
112 certification systems. However, because the third-party certification framework is necessarily
113 tailored to the unique TSCA Title VI requirements, these records and reports are the sole source
114 of information for EPA to rely on in order to determine the number of program participants,
115 evaluate their credentials, monitor their compliance with the program, determine the number of
116 panel producers receiving certification services, and evaluate a panel producer's compliance
117 history.
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119 **3(b) Public Notice Required Prior to ICR Submission to OMB**

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121 This ICR will be made available to the public for comment through a Federal Register
122 notice. The public will have 60 days to provide comments. Any comments received will be given
123 consideration when completing the supporting statement that is submitted to OMB.
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125 **3(c) Consultations**

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127 On numerous occasions during the course of developing the proposed regulation, the
128 Agency has consulted with the regulated community and the public. These consultations have
129 been held directly with industry officials and, on an ongoing basis, with owners and operators of
130 regulated facilities. EPA has also consulted with the California Air Resources Board (CARB),
131 which operates a similar third-party certification program for formaldehyde standards for
132 composite wood products that are sold, supplied, or offered for sale in the State of California.
133

134 Since EPA began its regulatory investigation into formaldehyde emissions from pressed
135 wood products with an Advanced Notice of Proposed Rulemaking (ANPR) published in 2008,
136 EPA has met on numerous occasions with the composite wood panel and related industries.
137 These meetings have been in the form of presentations at trade shows and industry association
138 conferences, and meetings with the Composite Panel Association (CPA), the Hardwood Plywood
139 and Veneer Association (HPVA), the Kitchen Cabinet Manufacturing Association (KCMA), the
140 American Home Furnishings Alliance (AHFA), the Business and Institutional Furniture

141 Manufacturer's Association (BIFMA), and individual companies. EPA staff have, at the
142 invitation of potentially regulated manufactures, conducted factory tours and site visits.
143

144 EPA convened a Small Business Advocacy Review Panel and hosted two panel outreach
145 meetings with small entity representatives (SERs). Prior to each meeting, EPA distributed
146 outreach materials to the SERs, and after each meeting the SERs were asked to provide written
147 feedback on how EPA might reduce regulatory burden on small entities. The Panel received
148 written comments from the SERs in response to the discussions at the meetings and the outreach
149 materials. The Panel summarized written and oral comments from the SERs and developed Panel
150 recommendations in its Panel Report. (See Panel Report of the Small Business Advocacy Review
151 Panel on EPA's Planned Proposed Rule Implementing the Formaldehyde Standards for
152 Composite Wood Products Act (TSCA Title VI), April 4, 2011).
153

154 EPA intends to carry out further consultations and outreach with potentially regulated
155 entities concurrent with the public comment period. These comments will be used to update the
156 Supporting Statement as needed.
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158 **3(d) Effects of Less Frequent Collection**

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160 EPA has judged that the reporting and recordkeeping requirements of the ICR are the
161 minimum amount necessary to fulfill its statutory mandate to promulgate regulations on a third-
162 party certification program that ensure compliance with the emission standards. Although the
163 third-party certification program is critical to the implementation of TSCA Title VI, EPA cannot
164 delegate its statutory duty to ensure compliance with TSCA Title VI to third-party certifiers.
165 Likewise it cannot delegate its oversight duties to accreditation bodies. The reports and records
166 in this ICR would allow EPA carry out its statutorily delegated roles in program design,
167 enforcement, and oversight. EPA believes that requiring applications, annual reports, and certain
168 one-time notifications from the accreditation bodies and third-party certifiers that wish to be
169 recognized or accredited as program participants would allow EPA to effectively monitor the
170 program. Annual reports and notifications that are triggered by specific occurrences will allow
171 EPA to ensure compliance with the emission standards, as required by the statute. EPA believes
172 that less frequent reporting and failure to require notice of significant events (e.g., a third-party
173 certifier losing its accreditation) could result in uncertified and noncompliant products being
174 distributed in commerce.
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176 **3(e) General Guidelines**

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178 This information collection complies with the guidelines at 5 CFR 1320.5(d)(2). The
179 exceptions to OMB's Paperwork Reduction Act Guidelines, and the explanation of why such
180 characteristics are needed to fulfill the statutory requirements, are described below:
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182 There are a number of provisions that would require reporting within a certain number of
183 days of an occurrence of a specific event. For example, notice that an accredited third-party
184 certifier has failed to comply with any provision of this section must be provided to EPA within
185 24 hours of the time the failure is identified. These reporting requirements are not triggered by
186 the calendar (i.e., they are not required quarterly or at more frequent intervals). Therefore, the

187 Agency does not believe that these provisions need special justification. Moreover, EPA believes
188 that unless these notifications are provided within the intervals prescribed in the proposed rule, a
189 change in circumstances could result in uncertified products being distributed in commerce, in
190 violation of the statute.

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192 **3(f) Confidentiality**

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194 EPA handles claims of confidentiality pursuant to established CBI procedures, as found at
195 Section 14 of TSCA and 40 CFR Part 2, and the Agency's TSCA CBI Manual. CBI is also
196 protected under the Freedom of Information Act (5 USC Section 525).

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198 Most of the information requested in the reporting requirements of these collections is not
199 of a confidential nature.

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201 **3(g) Sensitive Questions**

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203 EPA asks no questions of a sensitive nature.

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206 **4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

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208 **4(a) Respondents/NAICS Codes**

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210 The primary respondents would be accrediting bodies and third-party certifiers that wish
211 to participate in the TSCA Title VI third-party certification program.

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213 Third-party certifiers are independent entities that review products, processes or services
214 to verify that a set of norms, criteria, claims, practices or standards are being met. In this case
215 the set of standards would be set by EPA in the proposed TSCA Title VI implementing
216 regulations and would require conformity with specified voluntary consensus standards.

217

218 An accreditation body is an organization that provides an impartial verification of the
219 competency of conformity assessment bodies such as third-party certifiers. Accreditation bodies
220 are themselves evaluated by their own international oversight bodies to ensure their compliance
221 with voluntary consensus standards.

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223 The following NAICS codes are relevant:

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- 225 • Engineering services (NAICS code 541330).
- 226 • Testing laboratories (NAICS code 541380).
- 227 • Administrative management and general management consulting services (NAICS code
228 541611).
- 229 • All other professional, scientific, and technical services (NAICS code 541990).
- 230 • All other support services (NAICS code 561990).
- 231 • Business associations (NAICS code 813910).
- 232 • Professional organizations (NAICS code 813920).

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234 **4(b) Information Requested**

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236 **(i) Data Items**

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238 The information collection requirements are triggered when an entity desires to
239 participate in the program either as an accrediting body or a third-party certifier. Entities that
240 wish to participate in the program and offer services related to TSCA Title VI accreditation or
241 certification must submit an application. Accreditation bodies would apply to be recognized
242 through a recognition agreement with EPA. Third-party certifiers would then apply to an EPA-
243 recognized accreditation body to become TSCA Title VI accredited.

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245 Once an accreditation body is recognized or a third-party certifier is TSCA Title VI
246 accredited, that entity then becomes subject to other reporting, notification, and record keeping
247 requirements. If an entity were to leave the program, the reporting and notification requirements
248 would cease, and the record keeping requirements would lapse at the end of the record retention
249 period.

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251 The proposed recordkeeping requirements and reporting requirements include:

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253 **(A) Notifications/Reports.** Respondents are required to submit information to EPA to
254 accomplish the following reporting tasks:

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- 256 • Product accreditation bodies that wish to participate in the program must submit an
257 application to become recognized by EPA via a recognition agreement. The application
258 must include: 1) The name, address, telephone number, and email address of a primary
259 contact; 2) Documentation of its International Accreditation Forum Inc., Multilateral
260 Recognition Arrangement signatory status, or equivalent; 3) If not a domestic entity, the
261 name and address of an agent for service located in the United States; and 4) A
262 description of any other qualifications related to its experience in performing product
263 accreditation of conformity assessment bodies or third-party certifiers. Qualifications
264 required for applicants include ongoing conformance with International Organization for
265 Standardization and International Electrotechnical Commission (ISO/IEC) 17011
266 (including associated recordkeeping and reporting requirements) and demonstrating basic
267 competence to perform accreditation activities for product certification according to
268 ISO/IEC Guide 65.
- 269 • Laboratory accreditation bodies that wish to participate in the program must submit an
270 application to become recognized by EPA via a recognition agreement. The application
271 would include: 1) The name, address, telephone number, and email address of primary
272 contact; 2) Documentation of International Laboratory Accreditation Cooperation Mutual
273 Recognition Arrangement signatory status, or equivalent; 3) If not a domestic entity, the
274 name and address of an agent for service located in the United States; and 4) a description
275 of any other qualifications related to the laboratory accreditation body's experience in
276 performing laboratory accreditation and inspection certification of conformity assessment
277 bodies or third-party certifiers. Qualifications required for applicants include ongoing
278 conformance with ISO/IEC 17011 (including associated record keeping and reporting
279 requirements) and a demonstration of basic competence to perform accreditation

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activities for laboratory accreditation according to ISO/IEC 17025.

- Recognized product accreditation bodies would be required to submit an annual report to EPA on their accreditation activities. This report would include the number and locations of systems audits and on-site assessments performed, and the results of accredited third-party certifier laboratory proficiency testing or inter-laboratory comparisons.
- Recognized laboratory accreditation bodies would be required to submit an annual report to EPA on their accreditation activities. This report would include the number and locations of systems audits and on-site assessments performed, and the results of accredited third-party certifier laboratory proficiency testing or inter-laboratory comparisons.
- Recognized product accreditation bodies would be required to forward copies of third-party certifiers' applications to EPA at the address identified in the recognition agreement within 90 days of the date of receipt.
- Recognized product accreditation bodies would be required to submit notice if it loses its status as a signatory to the International Accreditation Forum Inc. Multilateral Recognition Arrangement (or membership in an equivalent organization) within 5 business days of the date that the body receives notice of the loss of its signatory status.
- Recognized laboratory accreditation bodies would be required to submit notice if it loses its status as a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (or membership in an equivalent organization) within 5 business days of the date that the body receives notice of the loss of its signatory status.
- Recognized accreditation bodies would be required to submit notice when it accredits a third-party certifier within 5 business days of the date that the certifier is TSCA Title VI accredited.
- Recognized accreditation bodies would be required to submit notice that an accredited third-party certifier has failed to comply with any provision of the regulation within 24 hours of the time the accreditation body identifies the failure.
- A recognized accreditation body would be required to submit notice when it suspends or revokes a third-party certifier's accreditation within 24 hours of the time that the suspension or revocation takes effect.
- A recognized accreditation body would be required to submit notice of a decision to make changes in its organizational policies or management structure that could adversely affect the third-party certifier accreditation program within 30 days of the decision to make the changes.
- Recognized accreditation bodies would be required to provide checklists and other records documenting compliance with the requirements for systems audits and on-site

327 assessments of third-party certifiers to EPA within 30 days of request. The records must
328 be retained for 3 years.

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- 330 • TSCA Title VI accredited third-party certifiers would be required to supply the following
331 records to EPA within 30 days of request: 1) A list of panel producers that it has certified
332 and their respective product types, including resins used; 2) The results of inspections,
333 audits, and emission tests conducted for and linked to each panel producer and product
334 type; 3) A list of laboratories it uses, test methods, including test conditions and
335 conditioning time and test results; and 4) The methods and results for establishing test
336 method correlations and equivalence. These records must be maintained for 3 years.
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 - 338 • If a third-party certifier approves an application for reduced testing, it must notify and
339 forward copies of the application for reduced testing to EPA within 30 days.
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341 **(B) Third-Party Reports.** Respondents are required to submit information to entities
342 other than EPA as follows:
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- 344 • Recognized product accreditation bodies would be required to provide a unique tracking
345 number (i.e., third-party certified number) to every third-party-certifier it accredits.
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- 347 • Recognized laboratory accreditation bodies would be required, within 15 days of a
348 request by a third-party certifier or their EPA-recognized product accreditation body, to
349 forward copies of a third-party certifier's laboratory application and accreditation
350 documentation to the applicable EPA-recognized product accreditation body (if the
351 laboratory accreditation body is not also recognized as a product accreditation body) at
352 the address identified by the third-party certifier.
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- 354 • Third-party certifiers that wish to participate in the program must submit an application
355 for accreditation to a recognized laboratory accreditation body and then to a recognized
356 product accreditation body. The product accreditation body and laboratory accreditation
357 body may, in some cases, be the same entity. In such cases, the applications can be made
358 concurrently. The application to the product accreditation would be required to include:
359 1) The name, address, telephone number, and email address of primary contact; 2) If not
360 a domestic entity, the name and address of an agent for service located in the United
361 States; 3) The type of composite wood products that the applicant intends to certify if
362 accredited; and 4) A description of the third-party certifier's qualifications including
363 experience or ability in product certification and complying with ISO/IEC Guide 65
364 (including associated record keeping requirements); experience in the composite wood
365 product industry with the specific product(s) the applicant intends to certify, and ability to
366 inspect and properly train and supervise inspectors pursuant to ISO/IEC 17020 (including
367 associated record keeping requirements). The application to the laboratory accreditation
368 would be required to include: 1) The name, address, telephone number, and email address
369 of primary contact; 2) If not a domestic entity, the name and address of an agent for
370 service located in the United States; 3) A description of the third-party certifier
371 laboratory's qualifications (including contract laboratories), including experience in
372 performing or verifying formaldehyde testing on composite wood products, experience

373 complying with ISO/IEC 17025 (including associated record keeping requirements), and
374 experience with test method ASTM E-1333-96 (2002) and experience evaluating
375 correlation between test methods.
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- 377 • TSCA Title VI accredited third-party certifiers must provide their third-party certifier
378 numbers to any panel producers receiving their TSCA Title VI certification services.
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- 380 • TSCA Title VI accredited third-party certifiers must submit an annual report to their
381 accreditation body or bodies (product accreditation body and laboratory accreditation
382 body, if not the same entity) and to EPA on their TSCA Title VI accreditation activities.
383 The report would include: 1) A list of panel producers that the certifier has certified
384 during the previous year and their products, including resins used and the average and
385 range of formaldehyde emissions by panel producer, resin, and product type; 2) A list of
386 any noncomplying products or events by a panel producer; 3) A list of laboratories and
387 test methods used by the certifier; and 4) the results of inter-laboratory comparison or
388 proficiency testing for the laboratories used by the certifier.
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- 390 • TSCA Title VI accredited third-party certifiers would be required to inform their
391 accreditation body or bodies (product accreditation body and laboratory accreditation
392 body, if not the same entity) within 30 days of any changes in personnel qualifications,
393 procedures, or laboratories used by the certifier.
394
- 395 • Should a TSCA Title VI accredited third-party certifier withdraw from the program or
396 lose its accreditation, it would be required to notify all panel producers that receive its
397 TSCA Title VI accreditation services within 3 business days.
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- 399 • Should a recognized accreditation body be removed or withdraw from the program it
400 must notify all third-party certifiers that receive its accreditation services within 5
401 business days.
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- 403 • Third-party certifiers that receive applications from panel producers for reduced testing
404 must act on those applications within 90 days.
405

406 **(C) Records.** Respondents are required to maintain records as follows:
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- 408 • Recognized accreditation bodies must retain checklists and other records documenting
409 compliance with the requirements for systems audits and on-site assessments of third-
410 party certifiers for 3 years.
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- 412 • A TSCA Title VI accredited third-party certifier must retain a list of panel producers that
413 it has certified and their respective product types, including resins used, for 3 years.
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- 415 • TSCA Title VI accredited third-party certifiers must retain records on the results of
416 inspections, audits, and emission tests conducted for and linked to each panel producer
417 and product type for 3 years.
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- A TSCA Title VI accredited third-party certifier must retain a list of laboratories that it uses, test methods, including test conditions and conditioning time and test results for 3 years.
 - TSCA Title VI accredited third-party certifiers must retain records on the methods and results for establishing test method correlations and equivalence for 3 years.
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426 **(ii) Respondent Activities**

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428 Typical respondents include accreditation bodies and third-party certifiers that wish to
429 offer TSCA Title VI accreditation or certification services. All respondents would need to read
430 the rule and determine which provisions would be applicable to their operations; plan and modify
431 their procedures to come into compliance with the rule; provide training to appropriate staff;
432 process, compile, and review information for accuracy and appropriateness; and record, disclose,
433 and/or report the required information.

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436 **5. THE INFORMATION COLLECTION — AGENCY ACTIVITIES, COLLECTION**

437 **METHODOLOGY, AND INFORMATION MANAGEMENT**

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439 **5(a) Agency Activities**

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441 EPA resources would be devoted to reviewing and analyzing data submissions, compiling
442 and recording data, maintaining files of submitted data, auditing and inspecting facilities,
443 producing audit and inspection reports, responding to public inquiries, providing regulatory
444 interpretations and developing rulemakings. EPA plans to publish certain information on the
445 internet, including a list of accredited third-party certifiers and recognized accreditation bodies.
446 EPA plans to continue/expand its review of the use of the Internet to facilitate the transfer of
447 information from EPA to the public. More specific Agency activities are as follows:

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- Receive and evaluate applications from accreditation bodies that wish to participate in the program.
 - Develop and enter into recognition agreements with qualified accreditation bodies.
 - Supply a point of contact for each recognition agreement for accreditation bodies to consult with on implementation of the recognition agreement.
 - Maintain a current and publically available list of recognized accreditation bodies and accredited third-party certifiers.
 - Evaluate the annual reports from recognized accreditation bodies and TSCA Title VI accredited third-party certifiers.
 - Evaluate all notices received from accreditation bodies and third-party certifiers to
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determine whether further agency action is warranted.

5(b) Collection Methodology and Management

The current proposal does not provide a required format for reports and notices. However, EPA is considering an electronic reporting requirement. If EPA finalizes a mandatory electronic reporting requirement all reports and notices covered by this action would be required to be submitted via that internet through EPA's Central Data Exchange (CDX). The required use of CDX for submission of TSCA Title VI notices and reports would be consistent with the Government Paperwork Elimination Act (GPEA, Pub. L. 105-277), which requires that, when practicable, federal organizations use electronic forms, electronic filings, and electronic signatures to conduct official business with the public. EPA's Cross-Media Electronic Reporting Regulation (CROMERR) (October 13, 2005; 70 FR 59848; FRL-7977-1) provides that any requirement in Title 40 of the Code of Federal Regulations to submit a report directly to EPA can be satisfied with an electronic submission that meets certain conditions once the Agency publishes a notice that electronic document submission is available for that requirement.

To register in CDX, the CDX registrant (also referred to as "Electronic Signature Holder" or "Public/Private Key Holder") would download two forms: the Electronic Signature Agreement and the Verification of Company Authorizing Official form. Registration enables CDX to perform two important functions: authentication of identity and verification of authorization. Within the "Electronic Signature Agreement" form, the Authorized Official (AO) would agree to certain CDX security conditions. On the "Verification of Company Authorizing Official" form, the AO would designate himself/herself as the AO and attest to the completeness and accuracy of the submitted information. When these forms are received, EPA would activate the submitter's registration in CDX and sends him or her an e-mail notification.

Most of the information requested in the reporting requirements of these collections is not of a confidential nature. Nonetheless, the any electronic reporting application would be designed to support TSCA Confidential Business Information needs by providing a secure environment that meets Federal standards. Users would be able to claim CBI for appropriate data fields. The electronic reporting application would use Transportation Layer Security (TLS) with 256-bit digital encryption, and the data would be encrypted at rest using a key that only a user knows. All data would remain encrypted until it is behind several EPA firewalls and within the EPA CBI LAN, and all encryption modules would be Federal Information Processing Standard (FIPS) 140-2 compliant. Also, users would be required to have valid CDX credentials (user name and password combination) to access the application, and they would be required to know the answers to the 20-5-1 series of questions associated with a CDX account in order to submit data to the EPA.

While EPA is not currently proposing an electronic reporting requirement, EPA believes the adoption of electronic communications may reduce the reporting burden on industry by reducing both the cost and the time required to review, edit and transmit data to the Agency. All information sent via CDX would be transmitted securely to protect CBI. Furthermore, if anything in the submission has been claimed CBI, a sanitized copy of the notice must be

509 provided by the submitter. With electronic reporting, this could be done automatically during the
510 submission process, eliminating the need for the submitter to do this manually. Electronic
511 reporting would also allow submitters to share a draft notice within their company during the
512 creation of a notice and to save a copy of the final file for future use. Appendix B provides mock
513 ups illustrating a potential electronic reporting system for TSCA Title VI submissions.
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515 The Agency would also benefit from receiving electronic submissions. Data systems
516 would be populated electronically, as oppose to manual data entry, reducing the potential for
517 human error that exists when data are entered by hand. Agency personnel would also be able to
518 communicate more efficiently with submitters electronically, compared to using mail.
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521 **5(c) Small Entity Flexibility**

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523 Small businesses are not exempt from the requirements of TSCA Title VI. The
524 information collections would apply to all entities that wish to participate in the TSCA Title VI
525 third-party certification program, regardless of size. EPA has elected to require equal disclosure
526 by all participating accreditation bodies and third-party certifiers because the third-party
527 certification program is essential to ensuring compliance with the highly technical requirements
528 of TSCA Title VI.
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530 **5(d) Collection Schedule**

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532 Most of the reporting activities are triggered by specific events or on an as needed basis
533 rather than by specific dates, as shown on Table 5-1.
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Table 5-1: Collection Requirements and Schedule

Ref. #	Collection Requirement	Collection Schedule
1	Application to EPA from a product accreditation body	When product accreditation body wishes to participate in the program and every 3 years thereafter for as long as it wishes to continue to participate
2	Application to EPA from a laboratory accreditation body	When laboratory accreditation body wishes to participate in the program and every 3 years thereafter for as long as it wishes to continue to participate
3	Annual report to EPA from a product accreditation body	Annually, on the month its recognition agreement was signed
4	Annual report to EPA from a laboratory accreditation body	Annually, on the month its recognition agreement was signed
5	Copies of third-party certifiers' applications forwarded from a recognized product accreditation body to EPA	Within 90 days of receipt of those applications
6	A recognized product accreditation bodies must submit notice if it loses its status as a signatory to the International Accreditation Forum Inc., Multilateral Recognition Arrangement (or membership in an equivalent organization)	Within 5 business days of being informed of loss of status
7	A recognized laboratory accreditation bodies must submit notice if it loses its status as a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (or membership in an equivalent organization)	Within 5 business days of being informed of loss of status
8	A recognized accreditation body must submit notice when it accredits a third-party certifier	Within 5 business days of the date that the certifier is accredited
9	A recognized accreditation body must submit notice that a TSCA Title VI accredited third-party certifier has failed to comply with any provision of the regulation	Within 24 hours of the time the accreditation body identifies the failure
10	A recognized accreditation body must submit notice when it suspends or revokes a third-party certifier's accreditation	Within 24 hours of the time that the suspension or revocation takes effect

Table 5-1: Collection Requirements and Schedule		
Ref. #	Collection Requirement	Collection Schedule
11	A recognized accreditation body must submit notice of a decision to make changes in its organizational policies or management structure that could adversely affect the third-party certifier accreditation program	Within 30 days of the decision to make the changes
12	A recognized accreditation body must provide checklists and other records documenting compliance with the requirements for systems audits and on-site assessments of third-party certifiers to EPA	Within 30 days of a request by EPA
13	A recognized product accreditation body must provide a unique tracking number to every third-party-certifier it accredits	At the time the third-party certifier receives its accreditation
14	An accredited third-party certifier must supply the following records to EPA: 1) A list of panel producers and their respective product types, including resins used, that it has certified; 2) The results of inspections, audits, and emission tests conducted for and linked to each panel producer and product type; 3) A list of laboratories it uses, test methods, including test conditions and conditioning time and test results; and 4) The methods and results for establishing test method correlations and equivalence	Within 30 days of request by EPA
15	A recognized laboratory accreditation body must forward copies of a third-party certifier's laboratory application and accreditation documentation to the applicable EPA-recognized product accreditation body (if the product accreditation body is not also recognized as a laboratory accreditation body) at the address identified by the third-party certifier	Within 15 days of a request by a third-party certifier or its EPA-recognized product accreditation body
16	A third-party certifier that wishes to participate in the program must submit an application for accreditation to a recognized laboratory accreditation body and then to a recognized product accreditation body	When it desires to become accredited to perform TSCA Title VI certification services, and every three years thereafter for as long as it desires to continue providing TSCA Title VI certification services
17	A TSCA Title VI accredited third-party certifier would be required to provide its third-party certifier number to any panel producer receiving its TSCA Title VI certification services	When a panel producer begins receiving its services
18	A TSCA Title VI accredited third-party certifier must submit an annual report to its accreditation body or bodies (product accreditation body and laboratory accreditation	Annual, on anniversary of accreditation

Table 5-1: Collection Requirements and Schedule		
Ref. #	Collection Requirement	Collection Schedule
	body, if not the same entity) and to EPA on its TSCA Title VI certification activities	
19	A TSCA Title VI accredited third-party certifier must inform its accreditation body or bodies (product accreditation body and laboratory accreditation body) of any changes in the personnel qualifications, procedures, or laboratories used by the certifier	Within 30 days
20	Should a TSCA Title VI accredited third-party certifier withdraw from the program or lose its accreditation, it would be required to notify all panel producers that receive its TSCA Title VI accreditation services	Within 3 business days
21	Should a recognized accreditation body be removed or withdraw from the program it must notify all third-party certifiers that receive its accreditation services	Within 5 business days
22	Notify EPA of approval of an application for reduced testing forward copies of all approved applications for reduced testing to EPA	Notification with 5 days of approval, Forward copy of application within 30 days of receipt
23	Third-party certifiers must act on applications for reduced testing	Within 90 days of receipt of a complete application

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537 6. ESTIMATING BURDEN AND COST OF THE COLLECTION

538

539 This section estimates the incremental burden of the recordkeeping and reporting
 540 requirements for accreditation bodies (ABs) and third-party certifiers (TPCs) that wish to
 541 participate in the TSCA Title VI third-party certification program for composite wood products.
 542

542

543 The current proposal does not provide a required format for reports and notices, so the
 544 estimates in this section assume that reporting is done on paper. Since EPA is considering an
 545 electronic reporting requirement, Appendix A describes the incremental changes in burden and
 546 cost if EPA finalizes a mandatory electronic reporting requirement.
 547

547

548 6(a) Estimating Respondent Burden

549

550 This ICR presents the estimated annual burden and associated annual costs for the
 551 following information collection components of the third party certification framework:
 552

552

553 ■ Accreditation Bodies:

554

- **Rule Familiarization:** Reading the rule in order to understand the requirements;

- 555 ○ **Application Submission:** Submitting an application to enter into a recognition
- 556 agreement with EPA;
- 557 ○ **Prepare a Recognition Agreement:** If the application is approved, enter into a
- 558 recognition agreement with EPA;
- 559 ○ **EPA Notification:** Provide EPA with notifications in the following instances:
- 560 loss of signatory status; TPC application; TPC accreditation; TPC compliance
- 561 failure; organization policy or management structure changes that could adversely
- 562 affect accreditation program; and provide checklists and other records
- 563 documenting compliance with systems audits and on-site assessments;
- 564 ○ **TPC Notification:** Provide TPCs with notifications if they withdraw or are
- 565 removed from the program;
- 566 ○ **Recordkeeping:** Maintain records documenting TPC accreditation applications,
- 567 and checklists and other records documenting compliance with systems audits and
- 568 on-site assessments. Applications must be retained for 3 years from the date they
- 569 were submitted; and
- 570 ○ **Reporting:** Provide an annual report to EPA with the number of TPC applications
- 571 received; the number of TPCs approved and denied; the names and contact
- 572 information of all accredited TPCs; the number and locations of systems audits
- 573 and on-site assessments; and the results of accredited TPC proficiency testing and
- 574 inter-laboratory comparisons.
- 575
- 576 ■ **Third Party Certifiers:**
- 577 ○ **Rule Familiarization:** Reading the rule in order to understand the requirements;
- 578 ○ **Application Submission:** submitting an application to the accrediting body;
- 579 ○ **Obtain Accreditation:** initially obtain accreditation (i.e., to demonstrate
- 580 compliance with the relevant ISO/IEC standards and test method ASTM E-1333-
- 581 96 and experience correlating between test methods);
- 582 ○ **Manufacturer Notifications and Recordkeeping:** the annual cost of
- 583 manufacturer notification and of maintaining records; and
- 584 ○ **Accrediting Body Notifications and Reporting:** provide an annual report and
- 585 other notifications to the accrediting body.
- 586

587 (i) Number of Respondents

588

589 The number of domestic accreditation bodies was estimated to be 8, the number of

590 signatories to the International Accreditation Forum, Inc. (IAF) or the International Laboratory

591 Accreditation Cooperation (ILAC). Of the 8 domestic accrediting bodies, 4 were determined to

592 be small entities. The number of foreign accreditation bodies was estimated to be 17, the number

593 of signatories for ISO Guide 65, ISO 17020, or ISO 17025 in countries with CARB-approved

594 TPCs. Based on the small business determinations for domestic accrediting bodies, it is

595 estimated that 9 of the foreign accrediting bodies are small entities.

596

597 As shown in Exhibit 6-1, CARB has approved a total of 36 TPCs, 9 of which are located

598 in the U.S. (although most U.S. TPCs provide services internationally). Of the 9 U.S. firms, 2

599 are classified as “small” based on the U.S. Small Business Administration’s size standards, 2 are

600 classified as large, and the small business status could not be determined for the 5 remaining

601 firms. Thus, it is estimated that half of all TPCs (both foreign and domestic) are small entities.
 602 It is assumed that there will be 9 domestic TPCs and 27 foreign TPCs in the TSCA Title VI
 603 program, the same as in the CARB program.
 604

Exhibit 6-1: Summary of CARB-Approved Third Party Certifiers	
Country Where TPC is Located	Number of TPCs
Australia	1
Austria	1
Belgium	1
China	5
Czech Republic	1
Denmark	1
France	1
Germany	4
Hong Kong	3
Indonesia	1
Italy	3
New Zealand	1
Poland	1
Spain	1
Sweden	1
Taiwan	1
United States	9
Total	36
<i>Source: California Air Resources Board. 2011. List of CARB Approved Third Party Certifiers.</i>	

605
 606 Exhibit 6-2 presents a summary of the number of respondents by size and type.
 607

Exhibit 6-2: Summary of Respondents		
Respondent Type	Total Number of Respondents	Total Number of Small Respondents
Domestic Accrediting Bodies	8	4
Foreign Accrediting Bodies	17	9
Domestic Third Party Certifiers	9	5
Foreign Third Party Certifiers	27	14

608
 609 **(ii) Burden Per Respondent**
 610

611 Exhibit 6-3 and Exhibit 6-4 present the estimated per-activity recordkeeping and
 612 reporting burdens for accreditation bodies and third party certifiers, respectively. Exhibit 6-5
 613 summarizes the total hour burden by type of firm. Exhibit 6-5 provides separate estimates for
 614 TPCs that are accredited for all three relevant ISO/IEC standards (Guide 65, 17020, and 17025)
 615 and for those that need to obtain an additional accreditation. The latter group will pay fees to an
 616 accreditation body, which are accounted for as costs in section 6(b)(ii), and described in more
 617 detail there. The recordkeeping and reporting requirements do not differ between TPCs that
 618 have all of their accreditations and those that do not, so the two groups have identical burdens in
 619 Exhibit 6-5. The two groups are listed separately here in order to carry them through the analysis
 620 consistently.

621

622 Exhibit A-1 and Exhibit A-2 in Appendix A present the incremental changes in burden if
623 EPA finalizes a mandatory electronic reporting requirement.

Exhibit 6-3: Recordkeeping and Reporting Burden for Accreditation Bodies, by Activity					
Activity ¹	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}
	Clerical (a)	Technical (b)	Managerial (c)		
1. Rule Familiarization	0.00	5.00	5.00	1.00	10.0000
2. Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact) ²	0.00	0.04	0.02	1.00	0.0600
Documentation of IAF MLA, ILAC MRA, or Equivalent Signatory Status ²	0.00	0.04	0.02	1.00	0.0600
Description of Any Other Qualifications Related to Experience in Performing Accreditation of Conformity Assessment Bodies or Third Party Certifiers ³	0.00	0.83	0.51	1.00	1.3400
3. Recognition agreement ⁴	1.00	1.00	4.00	1.00	6.0000
4. EPA Notification					
Loss of Status as a Signatory to the IAF MLA, ILAC MRA, or Equivalent Organization ⁵	0.00	0.08	0.04	0.05	0.0060
Third Party Certifier Applications ⁵	0.00	0.08	0.04	3.00	0.3600
Third Party Certifier Accreditation ⁵	0.00	0.08	0.04	3.00	0.3600
Third Party Certifier Compliance Failure ⁵	0.00	0.08	0.04	0.33	0.0396
Third Party Certifier Accreditation Suspension or Revocation (Product ABs) / Accredited Laboratory Compliance Failure (Laboratory ABs) ⁵	0.00	0.08	0.04	0.33	0.0396
Change to Organizational Policy or Management Structure that Could Adversely Affect Accreditation Program ⁵	0.00	0.08	0.04	0.20	0.0240
Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers ⁵	0.00	0.08	0.04	1.00	0.1200
Change in Name or Address of Domestic Agent (<i>Foreign Entities Only</i>) ⁵	0.00	0.08	0.04	0.50	0.0600
5. Third Party Certifier Notification					
Unique Tracking Number ²	0.00	0.04	0.02	3.00	0.1800
Withdraw from or be Removed from Program ²	0.00	0.04	0.02	0.25	0.0150
6. Recordkeeping					
Accreditation Applications ⁶	0.75	1.50	0.75	1.00	3.0000
Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers ⁶	0.75	1.50	0.75	1.00	3.0000
7. Annual Report to EPA					
Number of Third Party Certifier Applications Received ⁷	0.25	0.50	0.25	1.00	1.0000
Number of Third Party Certifier Applications Approved and Denied ⁷	0.25	0.50	0.25	1.00	1.0000
The Names and Contact Information of All Accredited Third Party Certifiers ⁷	0.25	0.50	0.25	1.00	1.0000
Number and Locations of Systems Audits and On-site Assessments ⁷	0.25	0.50	0.25	1.00	1.0000
Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons ⁷	0.25	0.50	0.25	1.00	1.0000
Domestic Total in First Year					29.6042
Foreign Total in First Year					29.6642

Exhibit 6-3: Recordkeeping and Reporting Burden for Accreditation Bodies, by Activity					
Activity ¹	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}
	Clerical (a)	Technical (b)	Managerial (c)		
Domestic Total in Non-Reapplication Year (Year 2)					12.1442
Foreign Total in Non-Reapplications Year (Year 2)					12.2042
Domestic Total in Reapplication Year (Year 3)					19.6042
Foreign Total in Reapplication Year (Year 3)					19.6642
<p>Notes: 1. Under the proposed rule, accreditation bodies are required to submit an application to renew their recognition agreement every 3 years. As a result, this analysis assumes that accreditation bodies incur application submission and recognition agreement preparation costs in the first year and subsequently every 3 years thereafter.</p> <p>2. Based on the estimated burden associated with reporting "company information" (EPA 2011).</p> <p>3. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011).</p> <p>4. Based on conversations with accreditation bodies.</p> <p>5. Based on the estimated burden associated with reporting "company information" (EPA 2011). Values have been doubled based on best professional judgment.</p> <p>6. Based on the estimated burden associated with "recordkeeping" (EPA 2011). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance.</p> <p>7. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011). Estimate based on best professional judgment.</p> <p>Source: U.S. Environmental Protection Agency. 2011. <i>Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.</i></p>					

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Exhibit 6-4: Recordkeeping and Reporting Burden for Third Party Certifiers, by Activity					
Activity ¹	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}
	Clerical (a)	Technical (b)	Managerial (c)		
1. Rule Familiarization	0.00	5.00	5.00	1.00	10.00
2. Product Accreditation Body Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact) and Type of Composite Wood Products Applicant Intends to Certify ²	0.00	0.04	0.02	1.00	0.06
Description of TPC's Experience or Ability in Product Certification and Complying with ISO/IEC Guide 65 ³	0.00	0.83	0.51	1.00	1.34
Description of TPC's Experience in the Composite Wood Product Industry with the Product(s) Intended to be Certified ³	0.00	0.83	0.51	1.00	1.34
Description of TPC's Ability to Inspect and Properly Train and Supervise Inspectors Pursuant to ISO/IEC 17020 ³	0.00	0.83	0.51	1.00	1.34
3. Laboratory Accreditation Body Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.) ²	0.00	0.04	0.02	1.00	0.06
Description of TPC's Experience in Performing or Verifying Formaldehyde Testing on Composite Wood Products ³	0.00	0.83	0.51	1.00	1.34
Description of TPC's Experience Operating or Using Laboratories that Comply with ISO/IEC 17025 ³	0.00	0.83	0.51	1.00	1.34
Description of TPC's Experience with Test Method ASTM E-1333-96 (2002) and Experience Evaluating Correlation between Test Methods ³	0.00	0.83	0.51	1.00	1.34
4. Manufacturer Notification					
Third Party Certifier Number ²	0.00	0.04	0.02	1.00	0.06
Withdraw from Program or Lose Accreditation ²	0.00	0.04	0.02	0.25	0.015
5. Recordkeeping					
List of Manufacturers and their Product Types (including Resins Used) Certified by TPC ⁴	0.75	1.50	0.75	1.00	3.00
Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type ⁴	0.75	1.50	0.75	1.00	3.00
List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results ⁴	0.75	1.50	0.75	1.00	3.00
Methods and Results for Establishing Test Method Correlations and Equivalence ⁴	0.75	1.50	0.75	1.00	3.00
List of Manufacturers and Products Approved for Reduced Testing ⁴	0.75	1.50	0.75	1.00	3.00
6. Annual Report to Accreditation Bodies					

Exhibit 6-4: Recordkeeping and Reporting Burden for Third Party Certifiers, by Activity					
Activity ¹	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}
	Clerical (a)	Technical (b)	Managerial (c)		
List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type) ⁵	0.25	0.50	0.25	1.00	1.00
List of Noncomplying Products or Events by Manufacturer ⁵	0.25	0.50	0.25	1.00	1.00
List of Laboratories and Test Methods Used by the TPC ⁵	0.25	0.50	0.25	1.00	1.00
Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC ⁴	0.25	0.50	0.25	1.00	1.00
7. Accreditation Board Notification					
Personnel Qualification Changes ²	0.00	0.04	0.02	0.50	0.03
Procedure Changes ²	0.00	0.04	0.02	0.50	0.03
Laboratory Changes ²	0.00	0.04	0.02	0.50	0.03
8. EPA Notification					
Change in Name or Address of Domestic Agent (<i>Foreign TPCs Only</i>) ²	0.00	0.04	0.02	0.50	0.03
Domestic Total in First Year					37.325
Foreign Total in First Year					37.355
Domestic Total in Non-Reapplication Year (Years 2 and 3)					19.165
Foreign Total in Non-Reapplications Year (Years 2 and 3)					19.195
Domestic Total in Reapplication Year (Year 4)					27.325
Foreign Total in Reapplication Year (Year 4)					27.355
Notes: 1. Under the proposed rule, TPCs are required to apply for re-accreditation every three years. As a result, application and accreditation costs are incurred every third year. 2. Based on the estimated burden associated with reporting "company information" (EPA 2011). 3. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011). 4. Based on the estimated burden associated with "recordkeeping" (EPA 2011). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance. 5. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011). Estimate based on best professional judgment. <i>Source: U.S. Environmental Protection Agency. 2011. Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.</i>					

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Exhibit 6-5: Total Burden by Firm Type			
Firm Type	Number of Firms	Burden Per Firm (hours)	Total Burden (hours)
Year 1			
Domestic Accrediting Body	8	29.6042	237
Foreign Accrediting Body	17	29.6642	504
Domestic TPC obtaining one additional accreditation	3	37.3250	112
Domestic TPC with current accreditations	6	37.3250	224
Foreign TPC obtaining one additional accreditation	9	37.3550	336
Foreign TPC with current accreditations	18	37.3550	672
Year 2			
Domestic Accrediting Body	8	12.1442	97
Foreign Accrediting Body	17	12.2042	207
Domestic TPC obtaining one additional accreditation	3	19.1650	57
Domestic TPC with current accreditations	6	19.1650	115
Foreign TPC obtaining one additional accreditation	9	19.1950	173
Foreign TPC with current accreditations	18	19.1950	346
Year 3			
Domestic Accrediting Body	8	19.6042	157
Foreign Accrediting Body	17	19.6642	334
Domestic TPC obtaining one additional accreditation	3	19.165	57
Domestic TPC with current accreditations	6	19.165	115
Foreign TPC obtaining one additional accreditation	9	19.195	173
Foreign TPC with current accreditations	18	19.195	346
Three Year Average			
Domestic Accrediting Body	8	20.4509	164
Foreign Accrediting Body	17	20.5109	349
Domestic TPC obtaining one additional accreditation	3	25.2183	76
Domestic TPC with current accreditations	6	25.2183	151
Foreign TPC obtaining one additional accreditation	9	25.2483	227
Foreign TPC with current accreditations	18	25.2483	454
All Entities	61	23.2951	1,421

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6(b) Estimating Respondent Costs

Respondent costs are estimated by combining burden estimates from the previous section with loaded wage rates, and adding in materials costs.

(i) Wage Rates

The fully loaded unit labor cost for managerial, professional/technical, and clerical labor in the regulated industry and for EPA staff is estimated by adding fringe benefits and overhead costs to the hourly wage or annual salary for each category following the method described in *Wage Rates for Economic Analysis of the Toxics Release Inventory Program*. This section describes the method employed to estimate the fully loaded unit labor costs for each labor category and presents the results of the analysis.

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Labor categories used in the analysis correspond to the U.S. Bureau of Labor Statistics (BLS) Standard Occupational Classification (SOC) system. In March 2004, BLS began using the North American Industry Classification System (NAICS) instead of the Standard Industrial Classification (SIC) System, and the Standard Occupational Classification (SOC) system instead of the Occupational Classification System (OCS). Exhibit 6-6 summarizes the crosswalk between old and new occupational titles, and lists the SOC titles that correspond to the managerial, professional/technical, and clerical labor categories used in this analysis.

Labor Category Used in the Analysis	BLS Old Title (OCS)	BLS New Title (SOC)
Managerial	Executive, administrative, and managerial	Management, business, and financial
Professional/Technical	Professional specialty and technical	Professional and related
Clerical	Administrative support, including clerical	Office and administrative support

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Wages and fringe benefit data for managerial, professional/technical, and clerical labor are from the BLS Employer Costs for Employee Compensation (ECEC) historical data for December 2006 – March 2011.¹

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The costs of fringe benefits such as paid leave and insurance, specific to each labor category, are taken from the same BLS report. Fringe benefits as a percentage of wages are calculated separately for each labor category. For example, for December 2010, the average wage rate for professional/technical labor was \$36.57, and the average fringe benefit was \$13.52.² Therefore, fringe benefits as a percentage of wages were \$13.52/\$36.57, or approximately 37 percent (see Exhibit 6-7).

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An additional loading factor of 17 percent is applied to wages to account for overhead. This approach is used for consistency with Office of Pollution Prevention and Toxics (OPPT) economic analyses for two major rulemakings: *Wage Rates for Economic Analyses of the Toxics Release Inventory Program*, June 2002, and the *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report*. This overhead loading factor is added to the benefits loading factor, and the total is then applied to the base wage to derive the fully loaded wage. For example, the December 2010 fully loaded wage for professional/technical labor is $\$36.57 \times (1 + 0.37 + 0.17) = \56.31 .

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Fully loaded costs for managerial and clerical labor are calculated in a similar manner, as shown in Exhibit 6-7.

¹ U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*. Past economic analyses used ECEC data series specific to white-collar workers in the manufacturing sector. However, those data sets were discontinued in March 2007, and these historical data were the best alternative. In a phone conversation (February 11, 2009), a BLS employee could not identify a better data set to use.

² Past analyses have used the term “technical” labor. Here the category is called “professional/technical” labor, to make clear how it relates to BLS categories. In 2004, BLS changed from the Occupational Classification System, OCS, to the Standard Occupational Classification system, SOC. In the process, the “Professional specialty and technical” category became the “Professional and related” category. However, the coverage of the old and new occupational groups is approximately the same. See the BLS article, “Comparing Current and Former Industry and Occupation ECEC Series” (Weinstein and Loewenstein, 2004).

Exhibit 6-7: Derivation of Loaded Industry Wage Rates								
Labor Category	Data Source for Wage Information	Date	Wage	Fringe Benefit	Fringes as % wage	Overhead as % wage ^a	Fringe + overhead factor	Loaded Wages
			(a)	(b)	(c)=(b)/(a)	(d)	(e)=(c)+(d)+1	(f)=(a)*(e)
Clerical	BLS ECEC, Private Professional and Business Services Industries, "Office and Administrative Support" ^b	Dec-10	\$16.72	\$6.09	36.42%	17%	1.53	\$25.65
Professional/ Technical	BLS ECEC, Private Professional and Business Services Industries, "Professional and related" ^b	Dec-10	\$36.57	\$13.52	36.97%	17%	1.54	\$56.31
Managerial	BLS ECEC, Private Professional and Business Services Industries, "Mgt, Business, and Financial" ^b	Dec-10	\$42.42	\$17.15	40.43%	17%	1.57	\$66.78

Notes:
^a An overhead rate of 17% is used.
^b Data for this occupational series found in U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011.*

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678**(ii) Costs Per Respondent**

679 Labor costs for accrediting bodies and third party certifiers are presented in Exhibit 6-8 and
680 Exhibit 6-9. These labor costs were estimated by multiplying the respondent burdens in Exhibit
681 6-3 and Exhibit 6-4 by the loaded wage rates presented in Exhibit 6-7. In addition to these labor
682 costs, some TPCs will incur non-labor costs associated with obtaining accreditation. The
683 accreditation costs of TPCs will depend on whether they have the systems and equipment in
684 place to satisfy the accreditation requirements or whether they will have to establish these.
685 Based on telephone interviews, the cost of obtaining a single accreditation initially is about
686 \$20,000 to \$30,000 for each quality system. This analysis uses the mid-point of the range,
687 \$25,000, as the cost estimate. The cost would be about three times that if the firm needed to be
688 newly accredited for all three standards (Guide 65, 17020, and 17025). Based on discussions
689 with six TPCs, the analysis assumes that two-thirds of the CARB-certified TPCs will already
690 have accreditations in place and that one-third will need to obtain one additional accreditation.
691 As a result, this analysis assumes that one-third of TPCs will incur a cost of \$25,000 to obtain
692 one additional accreditation, while two-thirds of TPCs will not incur any additional costs
693 associated with obtaining and maintaining additional accreditations.
694

695 In addition to obtaining the initial accreditation, the TPCs will need to renew their
696 systems and testing certifications. Two respondents reported costs that ranged from \$5,000 to
697 \$15,000 per year associated with maintaining certification, such as paying audit fees to their AB
698 (typical accreditation lasts two years). Note that the systems and testing certifications for which
699 the laboratories reported costs may cover more than the specific formaldehyde testing, and
700 therefore these estimates may overstate costs if these labs would incur these costs even if they
701 were not acting as TPCs under TSCA Title VI. However, to be conservative and not
702 underestimate costs, it is assumed that laboratories do not incur these costs in the baseline.
703 Because the audits include tests other than formaldehyde, the analysis uses the low end of the

704 costs reported as the annual reaccreditation cost, \$5,000. As discussed above, based on
705 discussions with the six TPCs the analysis assumes that two-thirds of the CARB-certified TPCs
706 will already be maintaining these accreditations and that one-third will be maintaining one
707 additional accreditation. Thus, one-third of TPCs will incur a cost of \$5,000 from maintaining
708 an additional accreditation, while two-thirds of TPCs will not incur any additional costs
709 associated with obtaining and maintaining additional accreditations.
710

711 Exhibit A-1 and Exhibit A-2 in Appendix A present the incremental changes in cost if
712 EPA finalizes a mandatory electronic reporting requirement.

Exhibit 6-8: Recordkeeping and Reporting Labor Costs for Accreditation Bodies, by Activity (2010\$)					
Activity	Estimated Annual Frequency ¹	Clerical Cost ²	Technical Cost ²	Managerial Cost ²	Total Cost
1. Rule Familiarization	1	\$0.00	\$281.55	\$333.90	\$615
2. Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact) ³	1	\$0.00	\$2.25	\$1.34	\$3.59
Documentation of IAF MLA, ILAC MRA, or Equivalent Signatory Status ³	1	\$0.00	\$2.25	\$1.34	\$3.59
Description of Any Other Qualifications Related to Experience in Performing Accreditation of Conformity Assessment Bodies or Third Party Certifiers ⁴	1	\$0.00	\$46.74	\$34.06	\$80.80
Application Submission Subtotal					\$88
3. Recognition agreement⁵	1	\$25.65	\$56.31	\$267.12	\$349
4. EPA Notification					
Loss of Status as a Signatory to the IAF MLA, ILAC MRA, or Equivalent Organization ⁶	0.05	\$0.00	\$0.23	\$0.13	\$0.36
Third Party Certifier Application ⁶	3	\$0.00	\$13.51	\$8.01	\$21.53
Third Party Certifier Accreditation ⁶	3	\$0.00	\$13.51	\$8.01	\$21.53
Third Party Certifier Compliance Failure ⁶	0.33	\$0.00	\$1.49	\$0.88	\$2.37
Third Party Certifier Accreditation Suspension or Revocation (Product ABs) / Accredited Laboratory Compliance Failure (Laboratory ABs) ⁶	0.33	\$0.00	\$1.49	\$0.88	\$2.37
Change to Organizational Policy or Management Structure that Could Adversely Affect Accreditation Program ⁶	0.2	\$0.00	\$0.90	\$0.53	\$1.44
Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers ⁶	1	\$0.00	\$4.50	\$2.67	\$7.18
Change in Name or Address of Domestic Agent (<i>Foreign Entities Only</i>) ⁶	0.5	\$0.00	\$2.25	\$1.34	\$3.59
EPA Notification Subtotal (Domestic)					\$57
EPA Notification Subtotal (Foreign)					\$60
5. Third Party Certifier Notification					
Unique Tracking Number ³	3	\$0.00	\$6.76	\$4.01	\$10.76
Withdraw from or be Removed from Program ³	0.25	\$0.00	\$0.56	\$0.33	\$0.90
TPC Notification Subtotal					\$12
6. Recordkeeping					
Accreditation Applications ⁷	1	\$19.24	\$84.47	\$50.09	\$153.79
Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers ⁷	1	\$19.24	\$84.47	\$50.09	\$153.79
Recordkeeping Subtotal					\$308
7. Annual Report to EPA					

Exhibit 6-8: Recordkeeping and Reporting Labor Costs for Accreditation Bodies, by Activity (2010\$)					
Activity	Estimated Annual Frequency ¹	Clerical Cost ²	Technical Cost ²	Managerial Cost ²	Total Cost
Number of Third Party Certifier Applications Received ⁸	1	\$6.41	\$28.16	\$16.70	\$51.26
Number of Third Party Certifier Applications Approved and Denied ⁸	1	\$6.41	\$28.16	\$16.70	\$51.26
The Names and Contact Information of All Accredited Third Party Certifiers ⁸	1	\$6.41	\$28.16	\$16.70	\$51.26
Number and Locations of Systems Audits and On-site Assessments ⁸	1	\$6.41	\$28.16	\$16.70	\$51.26
Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons ⁸	1	\$6.41	\$28.16	\$16.70	\$51.26
Annual Report Subtotal					\$256
Domestic Total in First Year					\$1,685
Foreign Total in First Year					\$1,688
Domestic Total in Non-Reapplication Year (Year 2)					\$633
Foreign Total in Non-Reapplications Year (Year 2)					\$636
Domestic Total in Reapplication Year (Year 3)					\$1,070
Foreign Total in Reapplication Year (Year 3)					\$1,073
<p>Notes: 1. Based on best professional judgment and rule requirements. Under the proposed rule, accreditation bodies are required to submit an application to renew their recognition agreement every 3 years. As a result, this analysis assumes that accreditation bodies incur application submission and recognition agreement preparation costs in the first year and subsequently every 3 years thereafter.</p> <p>2. Based on Employer Costs for Employee Compensation wage and benefit data for private professional and business services industries (BLS 2011a). Clerical costs are estimated using data from the "office and administrative support" occupational group; technical costs are estimated using data from the "professional and related" occupational group; and managerial costs are estimated using data from the "management, business, and financial" occupational group.</p> <p>3. Based on the estimated burden associated with reporting "company information" (EPA 2011a).</p> <p>4. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011a).</p> <p>5. Based on conversations with accreditation bodies.</p> <p>6. Based on the estimated burden associated with reporting "company information" (EPA 2011a). Values have been doubled based on best professional judgment.</p> <p>7. Based on the estimated burden associated with "recordkeeping" (EPA 2011a). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance.</p> <p>8. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011a). Estimate based on best professional judgment.</p> <p>Sources: (1) U.S. Bureau of Labor Statistics. 2011. <i>Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011</i>, and (2) U.S. Environmental Protection Agency. 2011. <i>Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports</i>.</p>					

713

714

Exhibit 6-9: Recordkeeping and Reporting Labor Costs for Third Party Certifiers, by Activity (2010\$)					
Activity	Estimated Annual Frequency ¹	Clerical Cost ²	Technical Cost ²	Managerial Cost ²	Total Cost
1. Rule Familiarization	1.00	\$0.00	\$281.55	\$333.90	\$615
2. Product Accreditation Body Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.) and Type of Composite Wood Products Applicant Intends to Certify ³	1.00	\$0.00	\$2.25	\$1.34	\$3.59
Description of TPC's Experience or Ability in Product Certification and Complying with ISO/IEC Guide 65 ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Description of TPC's Experience in the Composite Wood Product Industry with the Product(s) Intended to be Certified ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Description of TPC's Ability to Inspect and Properly Train and Supervise Inspectors Pursuant to ISO/IEC 17020 ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Product Accreditation Subtotal					\$246
3. Laboratory Accreditation Body Application Submission					
Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.) ³	1.00	\$0.00	\$2.25	\$1.34	\$3.59
Description of TPC's Experience in Performing or Verifying Formaldehyde Testing on Composite Wood Products ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Description of TPC's Experience Operating or Using Laboratories that Comply with ISO/IEC 17025 ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Description of TPC's Experience with Test Method ASTM E-1333-96 (2002) and Experience Evaluating Correlation between Test Methods ⁴	1.00	\$0.00	\$46.74	\$34.06	\$80.80
Laboratory Accreditation Subtotal					\$246
4. Manufacturer Notification					
Third Party Certifier Number ³	1.00	\$0.00	\$2.25	\$1.34	\$3.59
Withdraw from Program or Lose Accreditation ³	0.25	\$0.00	\$0.56	\$0.33	\$0.90
Manufacturer Notification Subtotal					\$4
5. Recordkeeping					
List of Manufacturers and their Product Types (including Resins Used) Certified by TPC ⁵	1.00	\$19.24	\$84.47	\$50.09	\$153.79
Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type ⁵	1.00	\$19.24	\$84.47	\$50.09	\$153.79
List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results ⁵	1.00	\$19.24	\$84.47	\$50.09	\$153.79
Methods and Results for Establishing Test Method Correlations and Equivalence ⁵	1.00	\$19.24	\$84.47	\$50.09	\$153.79

Exhibit 6-9: Recordkeeping and Reporting Labor Costs for Third Party Certifiers, by Activity (2010\$)					
Activity	Estimated Annual Frequency ¹	Clerical Cost ²	Technical Cost ²	Managerial Cost ²	Total Cost
List of Manufacturers and Products Approved for Reduced Testing ⁵	1.00	\$19.24	\$84.47	\$50.09	\$153.79
Recordkeeping Subtotal					\$769
6. Annual Report to Accreditation Bodies					
List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type) ⁶	1.00	\$6.41	\$28.16	\$16.70	\$51.26
List of Noncomplying Products or Events by Manufacturer ⁶	1.00	\$6.41	\$28.16	\$16.70	\$51.26
List of Laboratories and Test Methods Used by the TPC ⁶	1.00	\$6.41	\$28.16	\$16.70	\$51.26
Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC ⁶	1.00	\$6.41	\$28.16	\$16.70	\$51.26
Annual Report to AB Subtotal					\$205
7. Accreditation Board Notification					
Personnel Qualification Changes ³	0.50	\$0.00	\$1.13	\$0.67	\$1.79
Procedure Changes ³	0.50	\$0.00	\$1.13	\$0.67	\$1.79
Laboratory Changes ³	0.50	\$0.00	\$1.13	\$0.67	\$1.79
Accreditation Board Notification Subtotal					\$5
8. EPA Notification					
Change in Name or Address of Domestic Agent (Foreign TPCs Only)³	0.50	\$0.00	\$1.13	\$0.67	\$2
Domestic Total in First Year					\$2,090
Foreign Total in First Year					\$2,092
Domestic Total in Non-Reapplication Year (Years 2 and 3)					\$983
Foreign Total in Non-Reapplications Year (Years 2 and 3)					\$985
Domestic Total in Reapplication Year (Year 4)					\$1,475
Foreign Total in Reapplication Year (Year 4)					\$1,477
<p>Notes: 1. Based on best professional judgment and rule requirements. Under the proposed rule, TPCs are required to apply for re-accreditation every three years. As a result, application and accreditation costs are incurred every third year.</p> <p>2. Based on Employer Costs for Employee Compensation wage and benefit data for private professional and business services industries (BLS 2011a). Clerical costs are estimated using data from the "office and administrative support" occupational group; technical costs are estimated using data from the "professional and related" occupational group; and managerial costs are estimated using data from the "management, business, and financial" occupational group.</p> <p>3. Based on the estimated burden associated with reporting "company information" (EPA 2011a).</p> <p>4. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011a).</p> <p>5. Based on the estimated burden associated with "recordkeeping" (EPA 2011a). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance.</p> <p>6. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011a). Estimate based on best professional judgment.</p> <p>Sources: (1) U.S. Bureau of Labor Statistics. 2011. <i>Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011</i>, and (2) U.S. Environmental Protection Agency. 2011. <i>Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports</i>.</p>					

716 (iii) Total Burden and Costs

717

718 Exhibit 6-10 presents a summary of the total burden and costs for this information
 719 collection request by the type of firm. The total burden and cost are calculated by multiplying
 720 the burdens and costs per firm by the number of affected firms.
 721

Exhibit 6-10: Total Burden and Costs (2010\$)							
Firm Type	Number of Firms	Per Firm Burden and Cost			Total Burden and Cost		
		Labor		Non-Labor Cost	Labor		Non-Labor Cost
		Hours	Cost		Hours	Cost	
Year 1							
Domestic Accrediting Body	8	29.6042	\$1,685		237	\$13,480	
Foreign Accrediting Body	17	29.6642	\$1,688		504	\$28,696	
Domestic TPC obtaining one additional accreditation	3	37.3250	\$2,090	\$25,000	112	\$6,270	\$75,000
Domestic TPC with current accreditations	6	37.3250	\$2,090		224	\$12,540	
Foreign TPC obtaining one additional accreditation	9	37.3550	\$2,092	\$25,000	336	\$18,828	\$225,000
Foreign TPC with current accreditations	18	37.3550	\$2,092		672	\$37,656	
Year 2							
Domestic Accrediting Body	8	12.1442	\$633		97	\$5,064	
Foreign Accrediting Body	17	12.2042	\$636		207	\$10,812	
Domestic TPC obtaining one additional accreditation	3	19.1650	\$983	\$5,000	57	\$2,949	\$15,000
Domestic TPC with current accreditations	6	19.1650	\$983		115	\$5,898	
Foreign TPC obtaining one additional accreditation	9	19.1950	\$985	\$5,000	173	\$8,865	\$45,000
Foreign TPC with current accreditations	18	19.1950	\$985		346	\$17,730	
Year 3							
Domestic Accrediting Body	8	19.6042	\$1,070		157	\$8,560	
Foreign Accrediting Body	17	19.6642	\$1,073		334	\$18,241	
Domestic TPC obtaining one additional accreditation	3	19.165	\$983	\$5,000	57	\$2,949	\$15,000
Domestic TPC with current accreditations	6	19.165	\$983		115	\$5,898	
Foreign TPC obtaining one additional accreditation	9	19.195	\$985	\$5,000	173	\$8,865	\$45,000
Foreign TPC with current accreditations	18	19.195	\$985		346	\$17,730	
Three Year Average							
Domestic Accrediting Body	8	20.4509	\$1,129.33		164	\$9,035	
Foreign Accrediting Body	17	20.5109	\$1,132.33		349	\$19,250	
Domestic TPC obtaining one additional accreditation	3	25.2183	\$1,352.00	\$11,667	76	\$4,056	\$35,000
Domestic TPC with current accreditations	6	25.2183	\$1,352.00		151	\$8,112	
Foreign TPC obtaining one additional accreditation	9	25.2483	\$1,354.00	\$11,667	227	\$12,186	\$105,000
Foreign TPC with current accreditations	18	25.2483	\$1,354.00		454	\$24,372	
All Entities	61	23.2945	\$1,262.46	\$2,295.08	1421	\$77,010	\$140,000

722

723

724

725 **6(c) Estimating Agency Burden and Cost**

726
727 EPA resources would be devoted to reviewing and analyzing data submissions, compiling
728 and recording data, maintaining hard-copy files of submitted data, auditing and inspecting
729 facilities, producing audit and inspection reports, responding to public inquiries, and providing
730 regulatory interpretations. EPA anticipates that these activities will require the equivalent of one
731 full-time employee (FTE) at Headquarters. Using the 2010 Washington/Baltimore area annual
732 salary rate for a GS-13, Step 5 employee (\$100,904), and multiplying by a loading factor of 1.6
733 to reflect overhead and fringe benefits results in an estimated EPA cost of \$161,446 per year.
734

735 Section A.2 in Appendix A discusses the incremental changes in EPA cost if EPA
736 finalizes a mandatory electronic reporting requirement.
737

738 **6(d) Bottom Line Burden Hours and Costs/Master Table**

739 Exhibit 6-10 presents the bottom line burden and costs.
740
741
742

Exhibit 6-11: Total Burden and Costs				
	Year 1	Year 2	Year 3	Average
Number of Respondents and Responses	61	61	61	61
Total Burden Hours	2,085.64	995.38	1,181.88	1,421
Total Cost	\$417,470	\$111,318	\$122,243	\$217,010

743
744
745 EPA is considering an electronic reporting requirement for this information collection.
746 Exhibit A-3 in Appendix A summarizes the incremental changes in bottom line burden and cost
747 if EPA finalizes a mandatory electronic reporting requirement.
748

749 **6(e) Reasons for Changes in Burden**

750
751 Not applicable. These are new requirements so there was no previous ICR.
752

753 **6(f) Burden Statement**

754
755 The annual public burden for this collection of information, which is approved under
756 OMB Control No. 2070-NEW, is estimated to be 23.29 hours per response (i.e., 1,421 burden
757 hours for an estimated 61 responses). According to the Paperwork Reduction Act, “burden”
758 means the total time, effort, or financial resources expended by persons to generate, maintain,
759 retain, or disclose or provide information to or for a Federal agency. For this collection it
760 includes such activities as annual familiarization with requirements, recordkeeping, notification,
761 and reporting requirements. An agency may not conduct or sponsor, and a person is not required
762 to respond to, a collection of information unless it displays a currently valid OMB control
763 number. The OMB control numbers for EPA’s regulations in title 40 of the CFR, after appearing

764 in the Federal Register, are listed in 40 CFR part 9 and included on the related collection
765 instrument or form, if applicable.
766

767 To comment on the Agency's need for this information, the accuracy of the provided
768 burden estimates, and any suggested methods for minimizing respondent burden, including the
769 use of automated collection techniques, EPA has established a public docket for this ICR under
770 Docket ID No. EPA-HQ-OPPT-2011-0380. The docket is available for public viewing at the
771 Pollution Prevention and Toxics Docket in the EPA Docket Center (EPA/DC). The EPA/DC
772 Public Reading Room is located in the EPA West Building, Room 3334, 1301 Constitution Ave.,
773 NW., Washington, DC. The EPA/DC Public Reading Room is open from 8:30 a.m. to 4:30 p.m.,
774 Monday through Friday, excluding legal holidays. The telephone number for the EPA/DC
775 Public Reading Room is (202) 566-1744, and the telephone number for the Pollution Prevention
776 and Toxics Docket is (202) 566-0280. An electronic version of the public docket is available
777 through the Federal Docket Management System (FDMS) at www.regulations.gov. Use FDMS
778 to submit or view public comments, access the index listing of the contents of the public docket,
779 and to access those documents in the public docket that are available electronically. Once in the
780 system, select "search," then key in the docket ID number identified above. Also, you can send
781 comments to the Office of Information and Regulatory Affairs, Office of Management and
782 Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Office for EPA. Please
783 include the EPA Docket ID No. EPA-HQ-OPPT-2011-0380 and OMB control number 2070-
784 NEW in any correspondence.
785

786 **Appendix A – Incremental Impacts of Mandatory Electronic Reporting**
787
788

789 EPA is considering requiring mandatory electronic reporting requirement for
790 accreditation bodies and TPCs (both referred to here as respondents). If EPA adopts this
791 requirement for the TPC rule, respondents would submit their notifications and reports to EPA
792 using the Central Data Exchange (CDX). The changes in burden and costs for respondents and
793 EPA are described below.
794

795 **A.1 Burden and Costs of Electronic Reporting for Accreditation Bodies and TPCs**
796

797 All respondents spend time in the first year to complete a subscriber agreement and
798 register with CDX. Some respondents will spend time in subsequent years due to employee
799 turnover or compromised electronic signatures. These burdens are offset by reductions in
800 reporting and recordkeeping burden due to electronic reporting.
801

802 CDX users are assigned to one of two roles in the CDX system, an Authorizing Official
803 or a Support Registrant.
804

805 **Authorized Official (AO):** The AO is the person legally responsible for the submission. The
806 AO is typically a senior official for the respondent. The AO is the only user who can start a new
807 form, or reopen a completed form to begin the amendment process, and is the only user who can
808 electronically sign and submit a form. AOs can also assign Support Registrants to edit and
809 complete forms on his or her behalf. AOs must submit a subscriber agreement to EPA, and
810 register with CDX.
811

812 **Support Registrants:** A Support Registrant is a person designated by an AO to submit
813 supporting documents on his or her behalf. Support Registrants can edit a submission that is
814 created by the AO. Support Registrants are only allowed to edit submissions that the AO has
815 granted him or her access. Support Registrants do not have any access rights to create or submit
816 a form. Once the AO creates a form, they will provide the Support Registrant with a passphrase
817 to access the submission and complete all sections of the form. Once the Support Registrant has
818 finished completing the form, the AO will access the submission, review it, and submit it.
819 Support Registrants must register with CDX, but do not need to submit a subscriber agreement to
820 EPA.
821

822 This analysis uses a simplifying assumption that an average of five employees at each
823 respondent will register with CDX: one manager (who will serve as AO) four technical staff
824 members (who will serve as Support Registrants).
825

826 **First Year Burden for Accreditation Bodies and TPCs**
827

828 Respondents will incur electronic reporting costs in the first year to submit a subscriber
829 agreement, register with CDX, and contact EPA’s CDX Help Desk.
830

831 **Subscriber Agreement.** An AO must complete a subscriber agreement in order to establish
832 their identity and their relation to the entity for which they will submit electronic documents, as

833 well as to document a unique correlation with the device that will be used create their electronic
834 signature. Users can comply with the subscriber agreement provisions in CDX either by
835 submitting a paper subscriber agreement with a wet-ink signature, or by submitting an electronic
836 signature agreement.
837

838 • *Paper subscriber agreement.* Preparing, submitting, and filing a paper subscriber agreement
839 is estimated to require an average of 20 minutes of time per registrant (EPA 2011), which is
840 assumed to be managerial time.
841

842 • *Electronic signature agreement.* Preparing, submitting, and filing an electronic signature
843 agreement is estimated to require an average of 15 minutes of time per registrant (EPA
844 2011), which is assumed to be managerial time.
845

846 **CDX Registration.** CDX users will need to register with CDX, which involves selecting a user
847 name and password, providing contact information, and identifying the facility and the
848 registrant's role at the facility. This is estimated to take an average of 10 minutes per user (EPA
849 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time
850 and 40 minutes of technical time to register with CDX.
851

852 **Help Desk.** CDX users are assumed to spend an average of 4 minutes contacting EPA's CDX
853 Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of
854 managerial time and 16 minutes of technical time per respondent.
855

856 **Problem Resolution.** Three percent of respondents each year are assumed to spend an average
857 of one hour of technical time working with EPA's CDX Help Desk to resolve problems
858 involving their registrations or agreements (EPA 2011).
859

860 Subsequent Year Burden for Accreditation Bodies and TPCs 861

862 In subsequent years, respondents may incur electronic reporting costs due to employee
863 turnover and compromised electronic signatures.
864

865 **Employee Turnover.** It is assumed that each year 10 percent of CDX users will be replaced by
866 new employees, who will have to comply with the subscriber agreement and/or CDX registration
867 requirements (EPA 2011). Thus, in subsequent years 10 percent of AOs will spend 15 to 20
868 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all
869 users (both managerial and technical) will spend 10 minutes to register with CDX and 4 minutes
870 contacting EPA's CDX Help Desk.
871

872 **Report Compromised Signature.** Each year 1 percent of respondents are assumed to report a
873 compromised or surrendered electronic signature, which requires the submittal of a new
874 subscriber agreement (EPA 2011). This will entail 15 to 20 minutes of managerial time to
875 prepare, submit, and file a new agreement, and 4 minutes of managerial time to contact EPA's
876 CDX Help Desk.
877

878 Savings for Accreditation Bodies and TPCs

879

880 Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent, and to
881 eliminate the use of clerical time for reporting and recordkeeping (EPA 2009). For ABs, this is
882 estimated to result in average savings of 3.75 hours of clerical time in the first year and 2.75
883 hours in subsequent years, as well as 1 hour of technical time and 0.5 hours of managerial time in
884 all years. For TPCs, this is estimated to result in average savings of 4.75 hours of clerical time,
885 2.5 hours of technical time, and 1.25 hours of managerial time per year.

886

887 Electronic reporting also results in savings for respondents due to the following:

888

- 889 • The number of forms that need to be resubmitted because they are incomplete or invalid
890 should be greatly reduced because forms cannot be submitted via CDX if any required fields
891 are incomplete, or if the submission fails internal validation checks;
- 892
- 893 • All of the respondent's relevant staff will be able to access the CDX forms easily and directly
894 input their information, so the system will facilitate easier internal review by the respondent
895 prior to submission;
- 896
- 897 • Filling out a form similar to one previously submitted will be faster with electronic reporting,
898 as the respondent will already have an electronic copy of the earlier form to edit rather than
899 having to fill out a new form; and
- 900
- 901 • All routine correspondence with the Agency (including submission of supporting documents)
902 will be via CDX, which saves time and delivery costs and reduces delays in EPA's review.

903

904 EPA has not estimated the value of these additional savings to respondents.

905

906 Changes in Burden and Costs to Accreditation Bodies and TPCs due to Electronic Reporting

907

908 As shown in Exhibit A-1, accreditation bodies would save 3.8 to 5.1 hours per year
909 (equivalent to \$99 to \$177) depending on whether it is the initial year, reapplication year, or non-
910 reapplication year. TPCs would save 7.0 to 8.4 hours per year (equivalent to \$259 to \$337)
911 depending on whether it is the initial year, a reapplication year, or non-reapplication year, as
912 shown in Exhibit A-2.

913

914 As shown in Exhibit A-3, electronic reporting via CDX would reduce the total average
915 burden of the rule to domestic and foreign respondents from 1,421 hours to 1,029 hours per year
916 (a decrease of 392 hours). This decreases the cost of the rule from \$217,010 to \$203,334 per
917 year, a savings of \$14,666 per year. There are additional unquantified improvements in
918 efficiency and higher data quality due to electronic reporting.

919

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Exhibit A-1: Incremental Cost of Electronic Reporting Requirements: Burden and Cost Per Accrediting Body									
Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+ (c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)	(f)	(g)	(h)	(i)		
1. CDX Electronic Reporting (First Year)									
Electronic Subscriber Agreements (domestic firms)	-	-	0.250	1.00	0.250	-	-	\$16.70	\$16.70
Paper Subscriber Agreements (foreign firms)	-	-	0.330	1.00	0.330	-	-	\$22.04	\$22.04
CDX Registration	-	0.670	0.170	1.00	0.840	-	\$37.73	\$11.35	\$49.08
Help Desk	-	0.270	0.070	1.00	0.340	-	\$15.20	\$4.67	\$19.88
Problem Resolution	-	1.000	-	0.03	0.030	-	\$1.69	-	\$1.69
<i>Subtotal (domestic)</i>					<i>1.460</i>				<i>\$87.00</i>
<i>Subtotal (foreign)</i>					<i>1.540</i>				<i>\$93.00</i>
2. CDX Electronic Reporting (Subsequent Years)									
Electronic Subscriber Agreements (domestic firms)	-	-	0.250	0.10	0.025	-	-	\$1.67	\$1.67
Paper Subscriber Agreements (foreign firms)	-	-	0.330	0.10	0.033	-	-	\$2.20	\$2.20
CDX Registration	-	0.670	0.170	0.10	0.084	-	\$3.77	\$1.14	\$4.91
Help Desk	-	0.270	0.070	0.10	0.034	-	\$1.52	\$0.47	\$1.99
Report Compromised Signature			0.400	0.01	0.004	-	-	\$0.27	\$0.27
<i>Subtotal (domestic)</i>					<i>0.147</i>				<i>\$9.00</i>
<i>Subtotal (foreign)</i>					<i>0.155</i>				<i>\$9.00</i>
3. Recognition Agreement	(1.000)	-	-	1.000	(1.000)	\$(25.65)	-	-	\$(26.00)
4. Recordkeeping									
Accreditation Applications	(0.750)	(0.500)	(0.250)	1.000	(1.500)	\$(19.24)	\$(28.16)	\$(16.70)	\$(64.09)
Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers	(0.750)	(0.500)	(0.250)	1.000	(1.500)	\$(19.24)	\$(28.16)	\$(16.70)	\$(64.09)
<i>Subtotal</i>					<i>(3.000)</i>				<i>(\$128.00)</i>
5. Annual Report to EPA									
Number of Third Party Certifier Applications Received	(0.250)	-	-	1.000	(0.250)	\$(6.41)	-	-	\$(6.41)
Number of Third Party Certifier Applications Approved and Denied	(0.250)	-	-	1.000	(0.250)	\$(6.41)	-	-	\$(6.41)

Exhibit A-1: Incremental Cost of Electronic Reporting Requirements : Burden and Cost Per Accrediting Body									
Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)	(f)	(g)	(h)	(i)		
The Names and Contact Information of All Accredited Third Party Certifiers	(0.250)	-	-	1.000	(0.250)	\$(6.41)	-	-	\$(6.41)
Number and Locations of Systems Audits and On-site Assessments	(0.250)	-	-	1.000	(0.250)	\$(6.41)	-	-	\$(6.41)
Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons	(0.250)	-	-	1.000	(0.250)	\$(6.41)	-	-	\$(6.41)
<i>Subtotal</i>					(1.250)				\$(32.00)
Domestic Total in First Year					(3.790)				(\$99.00)
Foreign Total in First Year					(3.710)				(\$93.00)
Domestic Total in Non-Reapplication Year					(4.103)				(\$151.00)
Foreign Total in Non-Reapplications Year					(4.095)				(\$151.00)
Domestic Total in Reapplication Year					(5.103)				(\$177.00)
Foreign Total in Reapplications Year					(5.095)				(\$177.00)

Exhibit A-1: Incremental Cost of Electronic Reporting Requirements: Burden and Cost Per Accrediting Body

Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+ (c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)			(f)	(g)	(h)	(i)

Notes:

- CDX Electronic Reporting (first year):
 - Electronic signature agreement. Preparing, submitting, and filing an electronic signature agreement is estimated to require an average of 15 minutes of time per respondent, which is assumed to be managerial time (EPA 2011).
 - Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per respondent, which is assumed to be managerial time (EPA 2011).
 - CDX Registration. CDX users will need to register with CDX, which involves selecting a user name and password, providing contact information, and identifying the facility and the registrant’s role at the facility. This is estimated to take an average of 10 minutes per user (EPA 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time and 40 minutes of technical time to register with CDX.
 - Help Desk. CDX users are assumed to spend an average of 4 minutes contacting EPA’s CDX Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of managerial time and 16 minutes of technical time per respondent.
 - Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA’s CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).
- CDX Electronic Reporting (subsequent years):
 - Employee Turnover. It is assumed that each year 10 percent of CDX users will be replaced by new employees, who will have to comply with the subscriber agreement and/or CDX registration requirements (EPA 2011). Thus, in subsequent years 10 percent of CDX users will spend 15 to 20 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all CDX users (both managerial and technical) will spend 10 minutes to register with CDX and 4 minutes contacting EPA’s CDX Help Desk.
 - Report Compromised Signature. Each year 1 percent of respondents are assumed to report a compromised or surrendered electronic signature, which requires the submittal of a new subscriber agreement (EPA 2011). This will entail 15 to 20 minutes (20 assumed here) of managerial time to prepare, submit, and file a new agreement, and 4 minutes of time to contact EPA’s CDX Help Desk.
- Recognition Agreement
 - Electronic reporting is assumed to eliminate the use of clerical time for the recognition agreement.
- Recordkeeping
 - Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).
- Annual Report to EPA
 - Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).

Sources: (1) U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*, (2) EPA 2011

Exhibit A-2: Incremental Cost of Electronic Reporting Requirements: Burden and Cost Per Third Party Certifier									
Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)			(f)	(g)	(h)	(i)
1. CDX Electronic Reporting (First Year)									
Electronic Subscriber Agreements (domestic firms)	-	-	0.250	1.00	0.250	-	-	\$16.70	\$16.70
Paper Subscriber Agreements (foreign firms)	-	-	0.330	1.00	0.330	-	-	\$22.04	\$22.04
CDX Registration	-	0.670	0.170	1.00	0.840	-	\$37.73	\$11.35	\$49.08
Help Desk	-	0.270	0.070	1.00	0.340	-	\$15.20	\$4.67	\$19.88
Problem Resolution	-	1.000	-	0.03	0.030	-	\$1.69		\$1.69
<i>Subtotal (domestic)</i>					1.460				\$87.00
<i>Subtotal (foreign)</i>					1.540				\$93.00
2. CDX Electronic Reporting (Subsequent Years)									
Electronic Subscriber Agreements (domestic firms)	-	-	0.250	0.10	0.025	\$0.00	\$0.00	\$1.67	\$1.67
Paper Subscriber Agreements (foreign firms)	-	-	0.330	0.10	0.033	\$0.00	\$0.00	\$2.20	\$2.20
CDX Registration	-	0.670	0.170	0.10	0.084	\$0.00	\$3.77	\$1.14	\$4.91
Help Desk	-	0.270	0.070	0.10	0.034	\$0.00	\$1.52	\$0.47	\$1.99
Report Compromised Signature	-	-	0.400	0.01	0.004	\$0.00	\$0.00	\$0.27	\$0.27
<i>Subtotal (domestic)</i>					0.147				\$9.00
<i>Subtotal (foreign)</i>					0.155				\$9.00
3. Manufacturer Notification and Recordkeeping									
List of Manufacturers and their Product Types (including Resins Used) Certified by TPC	(0.750)	(0.500)	(0.250)	1.00	(1.500)	(\$19.24)	(\$28.16)	(\$16.70)	(\$64.09)
Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type	(0.750)	(0.500)	(0.250)	1.00	(1.500)	(\$19.24)	(\$28.16)	(\$16.70)	(\$64.09)
List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results	(0.750)	(0.500)	(0.250)	1.00	(1.500)	(\$19.24)	(\$28.16)	(\$16.70)	(\$64.09)
Methods and Results for Establishing Test Method Correlations and Equivalence	(0.750)	(0.500)	(0.250)	1.00	(1.500)	(\$19.24)	(\$28.16)	(\$16.70)	(\$64.09)

Exhibit A-2: Incremental Cost of Electronic Reporting Requirements: Burden and Cost Per Third Party Certifier									
Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)			(f)	(g)	(h)	(i)
List of Manufacturers and Products Approved for Reduced Testing	(0.750)	(0.500)	(0.250)	1.00	(1.500)	(\$19.24)	(\$28.16)	(\$16.70)	(\$64.09)
<i>Subtotal</i>					(7.500)				(\$320.00)
4. Annual Report and Notifications of Changes									
List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type)	(0.250)	-	-	1.00	(0.250)	\$(6.41)	-	-	\$(6.41)
List of Noncomplying Products or Events by Manufacturer	(0.250)	-	-	1.00	(0.250)	\$(6.41)	-	-	\$(6.41)
List of Laboratories and Test Methods Used by the TPC	(0.250)	-	-	1.00	(0.250)	\$(6.41)	-	-	\$(6.41)
Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC	(0.250)	-	-	1.00	(0.250)	\$(6.41)	-	-	\$(6.41)
<i>Subtotal</i>					(1.000)				\$(26.00)
Domestic Total in First Year					(7.040)				(\$259.00)
Foreign Total in First Year					(6.960)				(\$253.00)
Domestic Total in Non-Reapplication Year					(8.353)				(\$337.00)
Foreign Total in Non-Reapplications Year					(8.345)				(\$337.00)
Domestic Total in Reapplication Year					(8.353)				(\$337.00)
Foreign Total in Reapplications Year					(8.345)				(\$337.00)

Exhibit A-2: Incremental Cost of Electronic Reporting Requirements: Burden and Cost Per Third Party Certifier

Activity	Per Activity Burden Hours			Number of Annual Activities (d)	Total Burden (hours) (e) = (d)*{(a)+(b)+(c)}	Total Cost			
	Clerical	Technical	Managerial			Clerical (\$25.65/hr)	Technical (\$56.31/hr)	Managerial (\$66.78/hr)	Total
	(a)	(b)	(c)			(f)	(g)	(h)	(i)

Notes:

- CDX Electronic Reporting (first year):
 - Electronic signature agreement. Preparing, submitting, and filing an electronic signature agreement is estimated to require an average of 15 minutes of time per registrant, which is assumed to be managerial time (EPA 2011).
 - Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per user, which is assumed to be managerial time (EPA 2011).
 - CDX Registration. CDX users will need to register with CDX, which involves selecting a user name and password, providing contact information, and identifying the facility and the registrant's role at the facility. This is estimated to take an average of 10 minutes per registrant (EPA 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time and 40 minutes of technical time to register with CDX.
 - Help Desk. CDX users are assumed to spend an average of 4 minutes contacting EPA's CDX Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of managerial time and 16 minutes of technical time per respondent.
 - Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA's CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).
- CDX Electronic Reporting (subsequent years):
 - Employee Turnover. It is assumed that each year 10 percent of CDX users will be replaced by new employees, who will have to comply with the subscriber agreement and/or CDX registration requirements (EPA 2011). Thus, in subsequent years 10 percent of CDX users will spend 15 to 20 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all registrants will spend 10 minutes to register with CDX and 4 minutes contacting EPA's CDX Help Desk. Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per registrant (EPA 2011). This results in an estimate of 20 minutes of managerial time per respondent submitting a paper subscriber agreement.
 - Report Compromised Signature. Each year 1 percent of respondents are assumed to report a compromised or surrendered electronic signature, which requires the submittal of a new subscriber agreement (EPA 2011). This will entail 15 to 20 minutes (20 assumed here) of managerial time to prepare, submit, and file a new agreement, and 4 minutes of time to contact EPA's CDX Help Desk.
 - Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA's CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).
- Recordkeeping
 - Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).
- Annual Report to Recordkeeping Bodies
 - Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).

Sources: (1) U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*, (2) EPA 2011 Sources: (1) U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*,

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Exhibit A-3: Total Bottom Line Burden and Costs (Foreign and Domestic)				
	Year 1	Year 2	Year 3	Average
Costs without Electronic Reporting Requirements				
Number of Respondents and Responses	61	61	61	61
Total Burden Hours	2,085.64	995.38	1,181.88	1,421
Total Cost	\$417,470	\$111,318	\$122,243	\$217,010
Incremental Burden and Costs for Electronic Reporting Requirements				
Number of Respondents and Responses	61	61	61	61
Total Burden Hours	(344.67)	(402.931)	(427.93)	(392)
Total Cost	(\$11,535)	(\$15,907)	(\$16,557)	(\$14,666)
Total Burden and Costs, Including Incremental Burden and Costs for Electronic Reporting Requirements				
Number of Respondents and Responses	61	61	61	61
Total Burden Hours	1,740.97	592.44	753.94	1,029
Total Cost	\$405,935	\$95,411	\$105,686	\$202,344

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933 **A.2 Costs of Electronic Reporting for EPA**
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935 A portion of the cost that EPA incurs to operate the CDX system can be attributed to the
936 TSCA Title VI program. These costs are described below.
937

938 **CDX O&M** – The cost of CDX operations and maintenance for TSCA Title VI electronic
939 reporting is estimated to be approximately \$3,000 per year.
940

941 **CDX Application Support O&M** – The cost of application support operations and maintenance
942 (for Help Desk support, resolving technical problems, software maintenance and upgrades, etc.)
943 for TSCA Title VI electronic reporting is estimated to be approximately \$25,000 per year.
944

945 **CDX Software Licensing Costs** – EPA’s cost of software licensing attributable to TSCA Title
946 VI is estimated to be approximately \$6,000 per year.
947

948 **CDX CBI LAN O&M** – The cost attributable of operations and maintenance of EPA’s
949 confidential business administration (CBI) local area network (LAN) attributable to TSCA Title
950 VI is estimated to be approximately \$15,000 per year.
951

952 **EPA staff** – Managing the CDX system related to the TSCA Title VI program is estimated to
953 require approximately 0.1 FTE per year of EPA staff. Based on the 2010 Washington/Baltimore
954 area annual salary rate for a GS-13, Step 5 employee (\$100,904) and a loading factor of 1.6 for
955 overhead and fringe benefits, the cost of the EPA staff needed to manage the CDX program
956 attributable to the TSCA Title VI is estimated to be \$16,145 per year.
957

958 Overall, EPA’s cost for operating the CDX system that can be attributed to the TSCA Title VI
959 program is estimated at \$65,145 per year.
960

961 The use of electronic reporting and CDX also creates savings for EPA. It is expected to
962 improve efficiency and lead to higher quality data being available more quickly to EPA. EPA
963 typically keys or scans in the data from paper submissions, which can result in errors.
964 Consequently, EPA must perform quality assurance checks on extracted and scanned
965 information. When data is submitted electronically, the time required for EPA staff to review
966 and process the information is reduced because manual data entry or processing is eliminated.
967 Electronic reporting also improves data quality because it facilitates data correction and
968 validation by highlighting fields with omitted or inconsistent data prior to submission. EPA has
969 not estimated the value of these efficiencies and improvements in data quality.
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974 **Appendix B – Mock-Ups for Potential TSCA Title VI Electronic Reporting Application**

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976 **B.1 Summary of the Electronic Reporting Application Under Consideration**

977
978 The current proposed regulation does not provide a required format for reports and notices.
979 However, EPA is considering an electronic reporting requirement. If the EPA finalizes a
980 mandatory electronic reporting requirement all reports and notices covered by this action would
981 be required to be submitted via that internet through the EPA’s Central Data Exchange (CDX).
982

983 The EPA is requesting comment on a mandatory electronic reporting requirement for
984 Accrediting Bodies (ABs) and Third-Party Certifiers (TPCs). In order to give regulated entities
985 more information on which to base their comments, the EPA prepared mock-ups of a potential
986 electronic reporting application. The mock-ups are in draft form and should be considered for
987 illustrative purposes only. They contain two sections, an AB user interface which would be
988 visible to participating laboratory and product ABs and the TPC user interface which would be
989 visible to TSCA Title VI accredited TPCs.
990

991 These mock-ups are not complete in that they do not address all aspects of the EPA's proposed
992 implementation of TSCA Title VI. To the extent that the EPA’s proposals change, conforming
993 changes would be made to the data elements and other aspects of the electronic reporting
994 application, should the EPA choose to implement a mandatory electronic reporting requirement.
995 Should the EPA develop this electronic reporting application, the EPA would allow regulated
996 entities to participate in testing of the application and the EPA would provide training as
997 necessary.

998 **B. Electronic Reporting and Confidential Business Information**

999
1000 The EPA believes that most of the information that would be collected under TSCA Title VI is
1001 not confidential in nature. Nonetheless, any electronic reporting application would be designed to
1002 support TSCA Confidential Business Information (CBI) needs by providing a secure
1003 environment that meets Federal standards. Users would be able to claim CBI for appropriate data
1004 fields.
1005

1006 The draft mock-ups below contain CBI check boxes that illustrate how reporting entities would
1007 submit CBI claims for particular data elements. In the proposal, the EPA is requesting comment
1008 on whether the data elements in the ABs’ and TPCs’ annual reports, and the required
1009 notifications should be reported into a publicly viewable database. EPA requests comment on
1010 whether such information might contain CBI, and if so, which data elements may be subject to
1011 CBI claims. EPA believes that data elements related to the type or formulation of a resin may be
1012 the subject of legitimate TSCA CBI claims. Notwithstanding the current placement of the CBI
1013 check boxes, the EPA would modify their placement to conform with the final rule, should the
1014 EPA finalize a mandatory electronic reporting requirement.