Supporting Statement for a Request for OMB Review under The Paperwork Reduction Act

1 IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title of the Information Collection

Title: EPA's Design for the Environment Formulator Product Recognition Program

EPA ICR No.: 2302.02 OMB Control No.: 2070-0178

1(b) Short Characterization / Abstract

This renewal of an existing information collection request (ICR) addresses the submission of applications to EPA for recognition under the Formulator Product Recognition Program (Formulator Program). Design for the Environment (DfE)'s Formulator Program recognizes safer products where all ingredients have an environmental and human health profile showing that they are the safest in their functional use class. Under the encouragement of the current Formulator Program, leading companies have already made great progress in developing safer, highly effective chemical products. Since the program's inception in 1997, formulators have been using the program as a portal to EPA's unique chemical expertise, information resources, and guidance on greener chemistry. DfE Formulator partners enjoy Agency recognition, including the use of the DfE label on products with the safest possible formulations. This ICR enables DfE to accommodate participation by multiple formulators each year, enhance program transparency, and further promote chemical safety.

DfE participates in the development of CleanGredients™, a database of safer cleaning product ingredients, which identifies safer formulations and makes forming partnerships easier. Organized by product functional use class (e.g., surfactants, solvents, etc.), CleanGredients™ facilitates a green marketplace where formulators can select functionally appropriate and safer ingredients.

The redesign of chemical products offers opportunities to:

- Remove hazardous chemicals from formulations before they can enter the workplace, home, or environment.
- Advance energy and water efficiency, resource conservation, and innovative technologies.
- Qualify for environmentally preferred product status, increasingly sought by government, retailer and consumer purchasers.

Companies formulate products from a broad range of chemicals with a variety of applications. The Formulator Program is particularly involved with safer cleaning products, holding tank treatments/deodorizers, industrial coatings, and inks. Cleaning products make up the majority of partnership products, and cleaning product manufacturers make up the lion's share of demand for program participation by potential partners. Third-party profilers review all cleaning product applications prior to DfE submission. All other product applications are submitted directly to DfE for review.

The review team carefully reviews each product component. A literature review, and when appropriate, structural activity relationships, are used to understand each chemical's health and environmental characteristics. The review includes all chemicals, including those in proprietary raw material blends, which ingredient suppliers share with DfE in confidentiality. The review team then compares an ingredient's characteristics to other chemicals in the same use class, considers possible negative synergies between ingredients, and places the ingredient on a continuum of improvement relative to other similar chemicals. By means of its review team and methodology, DfE provides information to formulators that helps them select from among the safest chemicals in an ingredient class. Only formulations containing exclusively safer ingredients are recognized by DfE.

12. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

Authority for the Formulator Program derives from section 6604(b)(5) of the Pollution Prevention Act (PPA), 42 U.S.C. 13103(b)(5) (see Attachment A), which directs EPA to facilitate the adoption of source-reduction techniques by businesses, and the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), which encourages safety in technological innovation in chemistry. In recognition of this statutory directive, and through consultation with a broad range of stakeholders, EPA developed the Formulator Program.

Formulator Program information collection activities will assist the Agency in meeting the goals of the PPA by providing resources and recognition for businesses committed to promoting and using safer chemical products. In turn, the Formulator Program will help businesses meet corporate sustainability goals by providing the means to, and an objective measure of, environmental stewardship. Investment analysts and advisers seek these types of measures in evaluating a corporation's sustainability profile and investment worthiness.[1] It is not surprising then that EPA has heard from many organizations that Formulator Program partnership is an important impetus for prioritizing and completing the transition to safer chemical products. The Formulator Program is also needed to promote greater use of safer chemical products by companies unaware of the benefits of such a change.

DfE has carefully tailored its request for information, and especially the Formulator Program application forms, to ensure that it only asks for information essential to verifying applicants' eligibility for recognition.

1 2(b) Practical Utility/Users of the Data

The information collected by the Formulator Program is not designed or intended to support regulatory decision-making by EPA. EPA uses the information collected in the Formulator Program application to: (1) review products and their components; (2) complete chemical profiles for each product component to determine its key health and environmental characteristics; and (3) establish a partnership agreement with the company outlining how the company and EPA/DfE will work together

[1] "Green to Gold: How Smart Companies use environmental strategy to innovate, create value, and build competitive advantage" by Daniel Esty and Andrew Winston, Yale University Press, New Haven, 2006

to continually improve the health and environmental profile of the product(s).

13. NON-DUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

3(a) Non-Duplication

Respondents will not be asked to provide information that has been or is currently being collected by EPA, other federal or state agencies, or proprietary sources. The information collected by the Formulator Program is unique and is not duplicative of previous information collection requests. As due diligence, EPA also checked with trade associations and potential partners to confirm that the information being collected by the Formulator Program does not exist elsewhere.

1 3(b) Public Notice Required Prior to ICR Submission to OMB

1In proposing to issue this ICR, EPA provided a public notice and 60-day comment period that ended on January 29, 2013 (77 FR 71417; 11/30/2012). EPA did not receive any comments during the public comment period.

1 13(c) Consultations

Under 5 CFR 1320.8(d)(1) OMB requires agencies to consult with potential ICR respondents and data users about specific aspects of ICRs before submitting an original or renewal ICR to OMB for review and approval. In accordance with this regulation, EPA will pursue additional consultations with interested parties during the development of the renewal of this collection.

Additionally, under 5 CFR 1320.8(d)(1), OMB requires agencies to consult with potential ICR respondents and data users about specific aspects of ICRs before submitting an ICR to OMB for review and approval. In accordance with this regulation, EPA consulted with four potential respondents who manufacture cleaning and other products made of chemical mixtures by telephone to get feedback on the reasonableness of EPA’s cost and burden estimates. EPA asked the following questions:

- Please provide your best estimate regarding how long it would take to complete the application in terms of total hours.
- EPA is also interested in how many personnel (i.e., clerical, technical, and managerial) it would take for applicants to review the program information, obtain approval from senior management, and complete the form.
- In addition, please provide us with any constructive criticism / comments you might have regarding the application itself, questions posed, instructions, description of the program, etc.

EPA contacted and received feedback from the following individuals:

- Jim McCabe, Clorox, 925-425-6674
- Charles Reeves, Sentry Chemical, 770-723-7040
- Victoria Finley, Osprey Biotechnics, 941-351-2700 ext. 111
- Richard Cottrell, SYSCO, 281-584-1793

These individuals were supportive of the ICR and said the burden estimates appeared reasonable. These four respondents are typical of the types of respondents expected under this ICR. Therefore, EPA made no changes to the information in this supporting statement.

1 3(d) Effects of Less Frequent Collection

Formulator Program applications will be received on an ongoing basis over the three years covered by this ICR. The applications are designed to be one-time information submissions for organizations that wish to participate in the Formulator Program, with the opportunity to renew the partnership agreement at the end of the three-year partnership period. This means that once every three years, the organization will submit a renewal application to confirm that no changes have been made to ingredients; this step is done in response to correspondence from DfE that reminds organizations of the terms of their partnership agreements. Without this information collection mechanism, DfE will not have the ability to assist formulators in developing safer, highly effective chemical products or to formally recognize formulators who have successfully done so.

1 3(e) General Guidelines

The information collection activities discussed in this renewal ICR comply with all regulatory guidelines under 5 CFR 1320.5(d)(2).

1 3(f) Confidentiality

Some information collected by EPA under the Formulator Program involves confidential business or trade secret information. The Formulator Program handles all information claimed as such as confidential business information in accordance with Agency confidentiality procedures (see 40 CFR part 2, subpart B). The Formulator Program uses information provided by formulators solely for purposes related to forming the partnership and discloses the information only to EPA employees and EPA contractors cleared for confidential information with a specific need to know.

1 3(g) Sensitive Questions

The information collection activities discussed in this document do not involve any sensitive questions.

3(h) Electronic Collection Methods

Cleaning and non-cleaning product manufacturers may obtain applications for providing ingredient information for the chemical summaries that will be developed by third-party profilers by downloading them directly from the web site of the third-party profilers. The completed applications can be faxed, mailed, or, if they do not contain CBI or Trade Secret information, they can be scanned and emailed to EPA.

14. THE RESPONDENTS AND THE INFORMATION REQUESTED

4(a) Respondents and NAICS Codes

The Formulator Program seeks partners from establishments engaged in the formulation of end-use, for-sale chemical products.

Below is a list of representative North American Industry Classification System (NAICS) codes and associated industries that may be affected by information collection requirements covered under this ICR. This list is intended to be illustrative; entities from other industries may elect to apply for recognition through the Formulator Program. However, EPA expects that most applications will come from the following industries:

NAICS Code	Affected Industry
325510	Paint and Coating Manufacturing
325611	Soap and Other Detergent Manufacturing
325612	Polish and Other Sanitation Good Manufacturing
325910	Printing Ink Manufacturing
325992	Photographic Film, Paper, Plate, and Chemical Manufacturing
325998	All Other Miscellaneous Chemical Product and Preparation Manufacturing

4(b) Information Requested

Once a company with an interest in partnership with the Formulator Program reviews the program materials and decides to apply, the next step for the organization is to submit the appropriate application.

(i) Data items:

Applicants for this voluntary program submit information items that vary depending upon the class of product. The items include:

Partnership Applications for Cleaning and Non-Cleaning Products

Cleaning product manufacturers will submit ingredient information, as described here, to a qualified third-party profiler before submittal to EPA.

Information submitted to third-party profilers:

- Company name and Web site URL;
- Number of employees;
- Company headquarters address and manufacturing address;
- Name, title, phone number, and e-mail address of the candidate's signatory contact person (e.g., CEO, or vice president for health and environment);
- Name, title, phone number, and e-mail address of candidate's technical contact person;
- Name, title, phone number, and e-mail address of candidate's marketing/outreach contact person;
- Product information (see Attachment B)
    - o Name, UPC, sector, production volume, pH, product form
    - o Product characteristics on whether or not the product is:
        - An EPA registered pesticide;

        - A direct release product;
        - A concentrate;
        - Contains enzymes, fragrance, or VOCs;
        - Requires hazard labeling;
        - Ingredient disclosure and performance data submitted;
    - Packaging information:
        - Percent sourced, manufactured, transported, and recycled using renewable energy;
        - Percent optimizing the use of renewable or recycled source materials;
        - Percent manufactured using clean production technologies and best practices;
        - Percent made from materials healthful in all probably end-of-life scenarios;
        - Percent physically designed to optimize materials and energy use;
        - Percent recovered and used in biological or industrial closed-loop cycles;
        - Packing material type and percent recycled content;
        - If the packaging contains heavy metals, BPA, or phthalates;
    - Description of all chemical ingredients in product:
        - CAS number;
        - Chemical name;
        - Trade name;
        - Percent composition;
        - Ingredient class;
        - Supplier name;
- Raw material information (see Attachment C);
- Other product information, including product packaging description, product flashpoint, and flushability / compostability;
- An MSDS for the product and each ingredient;
- Product performance testing (any method of demonstrating product performance is acceptable as long as it is a commonly used industry standard);
- If available, any supplemental product or ingredient environmental health and safety information., such as:
    - Biodegradation tests on individual ingredients;
    - Acute aquatic toxicity tests on product as a whole or individual ingredients;
    - Human health and safety tests;
- Description of the type of training the company provides to customers on environmental and worker safety matters.

Information submitted to EPA:

- Summary report, containing same data items as above

Adding Third-Party Partners and Products

Cleaning product manufacturers will submit information about third-party additions to DfE. To be label-eligible, third-party products must contain ingredients identical to those in an already DfE-recognized product. The three types of third-party partners and products are private labels, licensees, and toll manufacturers.

Information submitted to EPA:

- DfE Form for Adding Third-Party Partners and Products (Private Label Companies, Licensees, or Toll Manufacturers) (See Attachment D)

(ii) Respondent activities:

Applicants for Cleaning and Non-Cleaning Product Formulation Partnerships

- Review program information, including instructions on submitting information to third-party profilers
- Submit information described in section 4(b)(i) of this supporting statement to third-party profiler
- Establish agreement with third-party profiler
- Submit summary report to DfE
- Negotiate / establish Partnership Agreement with DfE
- Renew partnership, with no changes needed
- Site audit (See Attachment E)

Adding Third-Party Partners and Products

- Review program information
- Fill out and submit DfE Form for Adding Third-Party Partners and Products (Private Label Companies, Licensees, or Toll Manufacturers)

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

5(a) Agency Activities

Under the Formulator Program, EPA engages in the following activities related to the Formulator application and decision process.

- Distribute applications to third-party profilers for distribution to potential participants;
- Answer questions posed by potential applicants regarding recognition under the Program;
- Receive the completed applications, review for accuracy, and place any necessary follow-up calls;
- Apply EPA's chemical tools and expertise to understand toxicological characteristics of chemical ingredients and to ensure that they are the safest within their functional use class; and
- Approve candidates for recognition and notify both successful and unsuccessful applicants of the decisions.

1 5(b) Collection Methodology and Management

Cleaning and non-cleaning product manufacturers may obtain applications for providing ingredient information for the chemical summaries that will be developed by third-party profilers by downloading them directly from the web site of the third-party profilers. The completed applications can be faxed, mailed, or, if they do not contain CBI or Trade Secret information, they can be scanned and emailed to EPA.

In collecting and analyzing the information associated with this ICR, EPA will use a telephone system, personal computers, and applicable database software. EPA will ensure the accuracy and completeness of collected information by reserving the right to request proof of the list of ingredients (e.g., bills of lading, invoices) or other relevant documentation at any time to confirm that candidates have the achieved the criteria for recognition.

1 5(c) Small Entity Flexibility

EPA expects that some of the participants in the Formulator Program will be small entities. EPA has designed its application form to minimize respondent burden while obtaining sufficient and accurate information. In addition, given the voluntary nature of the collection, EPA expects that respondents will participate only if the benefits of participation outweigh the information collection burden.

1 5(d) Collection Schedule

Organizations may submit an application for recognition at any time.

16. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

6(a) Estimating Respondent Burden

The average respondent burden is estimated to be 29.5 hours for cleaning and non-cleaning product formulators and 9.5 hours for cleaning product formulators wishing to add third-party partners and products (see Exhibit 6.2). EPA used professional judgment to arrive at a burden estimate and then consulted representatives from the participant categories to make sure the burden estimates were reasonable (see section 3(c)).

EPA expects that for a typical cleaning or non-cleaning product formulator, program and application review will take about 2 hours (1 managerial, 1 technical). Filling out and submitting third-party profiler information request forms will take about 7.5 hours (6 technical, 1.5 clerical), and then establishing an agreement with the third-party profiler will take about 3 hours (1 managerial, 1 technical, 1 clerical). Submitting a summary report to DfE will take about 2 hours (1 managerial, 1 technical). Finally, establishing a Partnership Agreement DfE will take 3 hours (1 managerial, 2 technical).

For a typical addition of a third-party partner and products, program and application review will take about 2 hours (1 managerial, 1 technical). Filling out and submitting one DfE Form for Adding Third-Party Partners and Products (Private Label Companies, Licensees, or Toll Manufacturers) is estimated to take about 2.5 hours (2 technical, 0.5 clerical). On average, a partner will fill out 3 third-party partners and products forms annually. Therefore, it is estimated that it will take one respondent 7.5 hours (6 technical, 1.5 clerical) to add third-party partners and products.

In addition to the burden associated with first-time submission of applications, each formulator has the opportunity to renew its Partnership Agreement at the end of the three-year partnership period. This means that once every three years, the formulator re-submits its application for each partnership product to confirm that no changes have been made to ingredients. EPA then evaluates the application.

EPA estimates that the partnership renewal process will take 5 hours (4 technical, 1 clerical) for cleaning and non-cleaning product formulators.

For purposes of this ICR, EPA expects that 96 (see section 6(e) on estimating the respondent universe) cleaning and non-cleaning product formulators will submit partnership applications over the three year period. Furthermore, EPA anticipates that one in ten cleaning and non-cleaning product formulators over the three-year period of this ICR will need to make improvements to their formulations so that they contain the safest ingredients within each functional use class; in these cases, a new partnership approval process, as described above, will be triggered. The associated burden for completing the new partnership approval process is assumed to be the same as first-time submission.

For purposes of estimating annual cost and burden in Exhibit 6.2, it is assumed that one-third of the 96 formulators (or 32 formulators, of which 29 are cleaning product and 3 are non-cleaning product formulators) will submit partnership agreements each year. It is also assumed that each year, one in ten of the formulators that submits their partnership agreements (or 3 cleaning product and 1 non-cleaning product formulators) will need to go through a new partnership approval process. It is assumed that the remaining formulators will renew their partnerships with no changes needed, or choose not to renew.

As part of the application process, the third-party profiler will also reserve the right to conduct site audits and desk audits. The purpose of site visits to facilities is to verify that each partnership product contains the same ingredients, in the same volumes, that are reported by the company as part of the DfE recognition process. The site auditor will review batch tickets associated with each recognized product to ensure that ingredient claims are accurate. Additional audit procedures are listed in Attachment E of this document. For purposes of estimating annual cost and burden in Exhibit 6.2, it is assumed that about 33% of formulators will get audited on-site each year over the three-year period of this ICR (i.e., 10 cleaning product and 1 non-cleaning product formulators). Each site audit is estimated to require two hours of a technical person’s time and one hour of a clerical person’s time. Desk audits will also be conducted by third-party profilers. Prior to the desk audit, formulators will be responsible for providing a list of all ingredients for each recognized product, product labels displaying the DfE logo, private label information (where applicable), and various other materials. For the purposes of estimating annual cost and burden in Exhibit 6.2, it is assumed that 66% of formulators will be subject to a desk audit each year over the three-year period of this ICR (i.e., 20 cleaning product and 2 non-cleaning product formulators). Each desk audit is estimated to require two hours of a technical person’s time and two hours of a clerical person’s time. As with the site audits, additional information on desk audits can be found in Attachment E of this document.

6(b) Estimating Respondent Costs

EPA estimates an average loaded hourly labor rate (base hourly rate plus fringe and overhead) of $71 for managerial staff, $65 for technical staff, and $30 for clerical staff. These three labor rate estimates are based upon manufacturing industry wage data from the Bureau of Labor Statistics (BLS) *Employer Costs for Employee Compensation, Supplementary Tables* from March 2012. The hourly labor rates include a 17% overhead; this overhead rate is used for consistency with OPPT economic analyses for two major rulemakings: *Wage Rates for Economic Analyses of the Toxics Release*

Inventory Program[1] and the *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report*.[2] In addition, the hourly labor rates have been rounded for the purposes of this ICR. The type of staff needed to complete the Formulator's applications and their associated hourly labor rates were verified by contacting representatives from the participant categories.

The derivation of labor rates for managerial, technical, and clerical staff are shown in Exhibit 6.1.

1**Exhibit 6.1. Derivation of Loaded Wage Rates in 2012$**

Labor category	Wage	Fringe Benefit	Fringes as % wage	Overhead % wage	Fringe + overhead factor	Loaded Wages	Loaded Wages (rounded)
	(a)	(b)	(c)=(b)/(a)	(d)	(e)=(c)+(d)+1	(f)=(a) × (e)	
Managerial[3]	$43.21	$20.53	47.51%	17%	1.65	$71.09	$71.00
Professional/ Technical[2]	$38.71	$19.71	50.92%	17%	1.68	$65.00	$65.00
Clerical[2]	$17.87	$9.03	50.53%	17%	1.68	$29.94	$30.00

Exhibit 6.2 shows the breakdown of burden costs, assuming 29.5 hours for cleaning and non-cleaning product manufacturers and 9.5 hours for cleaning product formulators wishing to add third-party partners and products. The third-party profiler verification process for cleaning products also adds an operating and management (O&M) cost of about $12,400 per company per application. This cost estimate is from NSF International, which has experience as a third-party profiler of ingredient characteristics. For this ICR, it is assumed that typical cleaning and non-cleaning product manufacturers will submit four products in an application. Each product is assumed to contain 2 ingredients at $650 each, 1 proprietary ingredient at $1,300 each, and 3 CleanGredients™ ingredient at no charge, for a total of $2,600 per product. In addition, a $500 administrative fee per product is assumed. The total will be $12,400 per company per application. No additional capital or O&M costs are incurred by respondents under this ICR.

[1] EPA, 2002b. U.S. EPA, Office of Pollution Prevention and Toxics, Economic and Policy Analysis Branch, *Wage Rates for Economic Analysis of the Toxics Release Inventory Program.* Washington, DC: June 10, 2002.

[2] EPA, 2002. U.S. EPA, Office of Pollution Prevention and Toxics, Economic and Policy Analysis Branch. *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report.* Washington, DC. August 2002.

[3] Bureau of Labor Statistics (BLS) *Employer Costs for Employee Compensation, Supplementary Tables.* From Supplementary Table 2, Employer costs per hour worked for employee compensation and costs as a percent of total compensation: Private industry workers in manufacturing industries, by occupational group, establishment size and bargaining status, March 2012. Available at: http://www.bls.gov/ncs/ect/sp/ecsuptc22.pdf

1**Exhibit 6.2. Estimated Annual Burden and Costs to Respondents**

Collection activity	Hours and Costs Per Respondent							Number of Respon.**	Total Hours and Costs		
	Mgr. $71/Hr	**Tech. $65/Hr**	**Cler. $30/Hr**		**Labor Cost/Year**	**Capital Cost**	**O & M Cost***		**Total Hours/Yr**	**Total Labor Cost/Yr**	
Cleaning and Non-Cleaning Products											
Review program information	1.0	1.0	-	2.0	$136	$0	$0	36	72	$4,896	$0
Fill out and submit third-party information request form	-	6.0	1.5	7.5	$435	$0	$0	36	270	$15,660	$0
Establish agreement w/ third-party profiler	1.0	1.0	1.0	3.0	$166	$0	$12,400	36	108	$5,976	$446,400
Submit summary report to DfE	1.0	1.0	-	2.0	$136	$0	$0	36	72	$4,896	$0
Negotiate / establish Partnership Agreement w/ DfE	1.0	2.0	-	3.0	$201	$0	$0	36	108	$7,236	$0
Establish partnership, w/ no changes needed	-	4.0	1.0	5.0	$290	$0	$0	32	160	$9,280	$0
Desk audit	-	2.0	2.0	4.0	$190	$0	$0	22	88	$4,180	$0
Site audit	-	2.0	1.0	3.0	$160	$0	$0	11	33	$1,760	$0
Subtotal									*911*	*$53,884*	*$446,400*
Adding Third-Party Partners and Products											
Review program information	1.0	1.0	-	2.0	$136	$0	$0	34	68	$4,624	$0
Fill out and submit DfE Form for Adding Third-Party Partners and Products	-	6.0	1.5	7.5	$435	$0	$0	34	255	$14,790	$0
Subtotal									*323*	*$19,414*	$0
TOTAL								***70***	***1,234***	***$73,298***	***$446,400***

* The cost for third-party profiler review and verification assumes that the typical application submitted by a cleaning product manufacturer will contain four products. Each product will contain 2 ingredients at $650 each and 1 proprietary ingredient at $1,300, for a total of $2,600 per product. Also assumes a $500 administrative fee per product. The total cost per product is $3,100. The total will be $12,400 per company per application.

**This column reports the number of annual respondents after accounting for the partnership renewal process and site audits. Assumes that 4 formulators (3 cleaning product formulators and 1 non-cleaning product formulator) each year will need to make changes to their formulations and go through a new partnership process which includes same collection steps. The subtotal for number of respondents reflects the 4 formulators that will need to go through the partnership process again, plus the 32 formulators that will establish partnership without changes. Also assumes that about 33% of cleaning product formulators (i.e., 10) and non-cleaning product formulators (i.e., 1) will be subject to site audits each year and that about 66% of cleaning product formulators (i.e., 20) and non-cleaning product formulators (i.e., 2) will be subject to desk audits each year. See Section 6(a) for additional explanation. Assumes that 34 partners will fill out third-party partners and products forms based on historical data. See Section 6(e) for additional explanation.

6(c) Estimating Agency Burden

1Exhibit 6.3 presents the estimated Agency burden hours and costs associated with the information collection activities under this ICR. EPA based its burden estimates on its experience managing other voluntary programs.

EPA expects that review of the program application forms for a typical cleaning or non-cleaning product formulator will take about 1 hour (1 technical). Reviewing the third-party profiler information summary report will take about 10.5 hours (10.5 technical). Establishing a Partnership Agreement with the formulator will take about 6 hours (2 managerial, 4 technical). Reviewing the partnership renewal and assuming that no changes are needed is estimated at 2 hours (1 managerial, 1 technical). Reviewing the audit summaries will take about 1 hour (1 technical).

The burden for reviewing the DfE Form for adding third-party partners and products is estimated to take about 3 hours (3 technical).

6(d) Estimating Agency Costs

Agency labor costs are calculated based on hourly basic rates for federal employees in the Washington-Baltimore area published by the Office of Personnel Management effective January 2012[0]. The average hourly labor rate for managerial staff is estimated as the rate for a GS-13 Step 5 employee, for technical staff as a GS-10 Step 10 employee, and for clerical staff as GS-5 Step 1. These GS-level assumptions are consistent with those used in past EPA OPPT ICRs. The hourly rates were multiplied by an assumed loading factor of 1.6 to reflect Federal fringe benefits and overhead. This loading factor is from an EPA guide, *Instructions for Preparing Information Collection Requests (ICRs)* (OPPE, 1992, page 30, footnote 9).

The resulting average hourly labor rates, rounded to the nearest dollar amount, are $77 for managerial staff, $57 for technical staff, and $26 for clerical staff. The Agency expects most activities related to this ICR to be performed by managerial staff (25 percent) and technical staff (75 percent).

[0] OPM, 2012. Salary Table 2012-DCB, *Washington Baltimore Northern Virginia, DC-MD-PA-VA-WV*. Available at http://www.opm.gov/oca/12tables/pdf/dcb_h.pdf

Exhibit 6.3. Annual Agency Burden/Cost

Collection activity	Hours and Costs Per Respondent						Total Hours and Costs		
	Mgr. $77/Hr	**Technical $57/Hr**	**Agency Hours/Yr**	**Labor Cost/Year**	**Capital/ Startup Cost**	**O & M Cost**	**Number of Respon.***	**Total Hours/Yr**	**Total Cost/Yr**
Cleaning and Non-Cleaning Products									
Review program application forms	-	1.0	1.0	$57	$0	$0	36	36	$2,052
Review third-party profiler summary	-	10.5	10.5	$599	$0	$0	36	378	$21,546
Negotiate / establish Partnership Agreement w/ formulator	2.0	4.0	6.0	$382	$0	$0	36	216	$13,752
Review partnership renewal, w/ no changes needed	1.0	1.0	2.0	$134	$0	$0	32	64	$4,288
Review audit summaries	-	1.0	1.0	$57	$0	$0	33	33	$1,881
Subtotal	*3.0*	*17.5*	*20.5*	*$1,172*	*$0*	*$0*	*36*	*727*	*$43,519*
Adding Third-Party Partners and Products									
Review DfE Form for Adding Third-Party Partners and Products	-	3.0	3.0	$171	$0	$0	34	102	$5,814
Subtotal	-	*3.0*	*3.0*	*$171*	*$0*	*$0*	*34*	*102*	*$5,814*
TOTAL							***70***	***829***	***$49,333***

*This column reports the number of respondents after accounting for the partnership renewal process. Assumes that one in ten formulators will need to make changes to their formulations and go through a new partnership process which includes same collection steps – i.e., 1 of 29 cleaning product formulators (for a total of 30) and 1 of 3 non-cleaning product formulators (for a total of 4). Assumes that 34 partners will fill out third-party partners and products forms based on historical data.

16(e) Estimating the Respondent Universe and Total Burden and Costs

EPA estimates that 32 cleaning and non-cleaning products formulators will submit applications per year. This estimate is based on historical data and the assumption that participation will increase over the next three years in response to greater consumer demand for green products. EPA estimates that an additional 34 applications will be received annually to add third-party partners and products. This estimate is based on the number of partners that submitted third-party partners and products applications over the last year and is expected to remain constant over the course of this ICR period. Therefore, it is estimated that a total of 66 respondents (32 cleaning and non-cleaning products formulators and 34 third-party partners and products applicants) will submit applications under the Formulator program each year. The annual burden hours and cost (labor and non-labor) associated with this information collection are 1,234 hours and $519,698 respectively.

1 6(f) Bottom Line Burden Hours and Cost Tables

a. Respondent Tally

Exhibit 6.4 below summarizes the total annual estimated respondent burden and cost. These estimates represent the average burden in any given year over the three years covered by this ICR.

Exhibit 6.4. Total Annual Estimated Respondent Burden and Cost Summary

Total # of Respondents	Average Burden	Annual Cost
70	1,234 hours	$519,698

b. Agency Tally

Exhibit 6.5 below summarizes the total annual estimated agency burden and cost. These estimates represent the average burden in any given year over the three years covered by this ICR.

Exhibit 6.5. Total Annual Estimated Agency Burden and Cost Summary

Burden	Annual Cost
829 hours	$49,333

6(g) Reasons for Change in Burden

There is an increase of 543 hours (from 691 hours to 1,234 hours) in the total estimated respondent burden compared with that identified in the information collection most recently approved by OMB. This increase reflects EPA's higher estimate of the number of likely respondents to this information collection. There is a respondent cost decrease of $800 in Overhead and Maintenance per application for Product Recognition (Cleaning and Non-Cleaning Products) from $13,200 per response to $12,400 per response due to a change in the cost estimate from NSF International. However, due to the increase in the likely number of respondents for this information collection from 29 to 32, the total annual cost (labor + O&M) is increasing from $382,800 to $519,698. This change is an adjustment in office estimate.

6(h) Burden Statement

The annual public burden for this collection of information is estimated at 29.5 hours per response for formulators of cleaning and non-cleaning products and 9.5 hours for cleaning product formulators wishing to add third-party partners and products, including time for reviewing instructions, gathering information, and completing and reviewing the application. Burden is defined in 5 CFR 1320.3(b). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control number for this information collection appears above. The OMB control numbers for EPA's regulations in title 40 of the CFR, after appearing in the Federal Register, are listed in 40 CFR part 9 and included on the related collection instrument or form, if applicable.

The Agency has established a public docket for this ICR under Docket ID No. EPA–HQ–OPPT–2012–0675, which is available for online viewing at www.regulations.gov, or in person viewing at the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Ave., NW, Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the OPPT Docket is (202) 566-0280. You may submit comments regarding the Agency's need for this information, the accuracy of the provided burden estimates and any suggested methods for minimizing respondent burden, including the use of automated collection techniques.

Submit your comments, referencing Docket ID Number EPA-HQ-OPPT-2012-0675, to (1) EPA online using www.regulations.gov (our preferred method), by email to oppt.ncic@epa.gov or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave., NW, Washington, DC 20460, and (2) OMB via email to oira_submission@omb.eop.gov. Address comments to OMB Desk Officer for EPA.

ATTACHMENTS TO THE SUPPORTING STATEMENT

Attachments to the supporting statement are available in the public docket established for this ICR under docket identification number EPA–HQ–OPPT–2012–0675. These attachments are available for online viewing at www.regulations.gov or otherwise accessed as described in section 6(g) of the supporting statement.

Attachment A:	**42 USC 13103 - Pollution Prevention Act Section 6604**. Also available online at the US House of Representatives' Office of the Law Revision Counsel's US Code website
Attachment B:	**DfE Formulator Program: Product Information Form**
Attachment C:	**DfE Formulator Program: Raw Material Information Form**
Attachment D:	**DfE Formulator Program: Form for Adding Third-Party Partners and Products (Private Label Companies, Licensees, or Toll Manufacturers)**
Attachment E:	**DfE Audit Process Guidance for the Safer Product Labeling Program**