

**SUPPORTING STATEMENT
ENVIRONMENTAL PROTECTION AGENCY**

NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal)

1. Identification of the Information Collection

1(a) Title of the Information Collection

NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal), EPA ICR Number 1086.10, OMB Control Number 2060-0120

1(b) Short Characterization/Abstract

The New Source Performance Standards (NSPS) for Onshore Natural Gas Processing Plants (40 CFR part 60, subpart KKK) were proposed on January 20, 1984, promulgated on June 24, 1985, and amended on both October 17, 200 and August 16, 2012. These regulations apply to the following types of existing facilities located at onshore natural gas processing plants: compressors in equipment leaks of Volatile Organic Compound (VOC) service or in wet gas service, and the groups of all equipment (except compressors) within a process unit. This information is being collected to assure compliance with 40 CFR part 60, subpart KKK.

The NSPS for Onshore Natural Gas Processing Plants at Subpart LLL were proposed on January 20, 1984, promulgated on October 1, 1985, and amended on both October 17, 200 and August 16, 2012. These regulations apply to the following types of existing facilities located at onshore natural gas processing plants: each sweetening unit, and each sweetening unit followed by a sulfur recovery unit. The provisions of subpart LLL do not apply to sweetening facilities that produce acid gas that is completely re-injected into oil or gas bearing geologic strata or that is otherwise not released to the atmosphere, or to affected facilities with design capacities of less than two long tons per day (LT/D) of hydrogen sulfide in the acid gas, expressed as sulfur. This information is being collected to assure compliance with 40 CFR part 60, subpart LLL.

This ICR accounts for the burden of existing facilities that have not been modified and are required to report under subparts KKK and LLL. On August 16, 2012, EPA issued a new NSPS rule, subpart OOOO, addressing new and revised requirements for natural gas processing facilities, that are either new or modified sources after August 23, 2011 subject to subparts KKK and LLL, which will now report under this new rule. Although subpart OOOO addresses other portions of the oil and gas sector, some of which has not been regulated before, the burden associated with these other rule requirements are not specifically addressed in this ICR (that burden is accounted for in EPA ICR Number 2437.03, OMB Control Number 2060-0673).

In general, all NSPS standards require initial notification reports, performance tests, and periodic reports by the owners/operators of the affected facilities. They are also required to maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility, or any period during which the monitoring system is inoperative. These notifications, reports, and records are essential in determining compliance,

and are required of all affected facilities subject to NSPS.

Any owner/operator subject to the provisions of this part shall maintain a file of these measurements, and retain the file for at least two years following the date of such measurements, maintenance reports, and records. All reports are sent to the delegated state or local authority. In the event that there is no such delegated authority, the reports are sent directly to the U. S. Environmental Protection Agency (EPA) regional office.

Based on our consultations with industry representatives, there is an average of four affected facilities at each plant site for subpart KKK, along with one affected facility at each plant site for subpart LLL. Each plant site has only one respondent (i.e., the owner/operator of the plant site).

Over the next three years, an average of 577 existing respondents per year will be subject to these rules. Of the total sources, approximately 70 of the 577 are currently subject to subpart LLL. Modified facilities after August 23, 2011, subject to subparts KKK and LLL, and new onshore natural gas processing facilities, will be subject to and report under subpart OOOO.

Note OMB approved a change worksheet on September 23, 2013 to combine EPA ICR Number 2438.02 with this ICR, and to discontinue ICR 2438.02. This ICR renewal now includes the burden previously approved under OMB control number 2060-0120 (EPA ICR Number 1086.09) for the onshore natural gas processing rule, and the change in burden resulting from the development of subpart OOOO, addressed under OMB control number 2060-0672 (EPA ICR Number 2438.02). The Office of Management and Budget (OMB) approved the currently active ICR without any “Terms of Clearance.”

There are approximately 577 existing onshore natural gas processing plants in the United States, which are all publicly-owned and operated by for-profit businesses. None of the plants in the United States are owned by either state, or local, or tribal, or the Federal government. The “burden” to the “Affected Public” may be found below in Table 1: Annual Respondent Burden and Cost, and Summary of Annual Respondents Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal). The Federal Government “burden” is attributed entirely to work performed by either Federal employees or government contractors and may be found below in Table 2: Average Annual EPA Burden and Cost, and Summary of Agency Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under Section 111 of the Clean Air Act (CAA), as amended, to establish standards of performance for new stationary sources that reflect:

. . . application of the best technological system of continuous

emissions reduction which (taking into consideration the cost of achieving such emissions reduction, or any non-air quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated. Section 111(a)(1).

The Agency refers to this charge as selecting the best demonstrated technology (BDT). Section 111 also requires that the Administrator review and, if appropriate, revise such standards every four years. In addition, section 114(a) states that the Administrator may require any owner/operator subject to any requirement of this Act to:

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

In the Administrator's judgment, VOC and sulfur dioxide emissions from onshore natural gas processing plants either cause or contribute to air pollution that may reasonably be anticipated to endanger public health and/or welfare. Therefore, the NSPS were promulgated for this source category at 40 CFR part 60, subparts KKK and LLL, and subsequently updated under NSPS subpart OOOO.

2(b) Practical Utility/Users of the Data

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

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

The notifications required in the standards are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to check if the pollution control devices are properly

installed and operated, leaks are being detected and repaired, and the standards is being met. The performance test may also be observed.

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

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

The requested recordkeeping and reporting are required under 40 CFR part 60, subparts KKK and LLL.

3(a) Non-duplication

If the subject standards have not been delegated, the information is sent directly to the appropriate EPA regional office. Otherwise, the information is sent directly to the delegated state or local agency. If a state or local agency has adopted its own similar standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, duplication does not exist.

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

An announcement of a public comment period for the renewal of this ICR was published in the Federal Register (78 FR 33409) on June 4, 2013. No comments were received on the burden published in the Federal Register.

3(c) Consultations

The Agency's industry experts have been consulted, and the Agency's internal data sources and projections of industry growth over the next three years have been considered. The primary source of information as reported by industry, in compliance with the recordkeeping and reporting provisions in the standards, is the Online Tracking Information System (OTIS) which is operated and maintained by EPA's Office of Compliance. OTIS is EPA's database for the collection, maintenance, and retrieval of all compliance data. The growth rate for the industry is based on our consultations with the Agency's internal industry experts.

Industry trade associations and other interested parties were provided an opportunity to comment on the burden associated with the standards as it was being developed and the standards have been reviewed previously to determine the minimum information needed for compliance purposes. In developing this ICR, we contacted: 1) ONEOK, Incorporated, at (405) 557-6846; and 2) the Gas Processors Association, at (918) 493-3872.

It is our policy to respond after a thorough review of comments received since the last ICR renewal as well as those submitted in response to the first Federal Register notice. In this case, no comments were received.

3(d) Effects of Less Frequent Collection

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

3(e) General Guidelines

These reporting or recordkeeping requirements do not violate any of the regulations promulgated by OMB under 5 CFR part 1320, section 1320.5.

3(f) Confidentiality

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

3(g) Sensitive Questions

The reporting or recordkeeping requirements in the standard do not include sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents/SIC Codes

The respondents to the recordkeeping and reporting requirements are onshore natural gas processing plants. The United States Standard Industrial Classification (SIC) code for the respondents affected by the standards is SIC 1311 and 1321, which corresponds to the North American Industry Classification System (NAICS) code 211111 and 211112 for Crude Petroleum and Natural Gas Extraction and Natural Gas Liquid Extraction, respectively.

4(b) Information Requested

(i) Data Items

In this ICR, all the data that is recorded or reported is required by the NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL).

A source must make the following reports:

| Notifications | |
|---|----------------------------------|
| Notification of construction or reconstruction | 60.7(a)(1) |
| Notification of actual startup date | 60.7(a)(3) |
| Notification of modification | 60.7(a)(4) |
| Semiannual reports of excess emissions (subparts KKK and LLL) | 60.7(c) |
| Performance test results (subparts KKK and LLL) | 60.8(a), 60.636(a), 60.487(e) |
| Semiannual reports (subpart KKK) | 60.636(a)-(c), 60.487(a) |
| Semiannual report on excess emissions from and performance of continuous monitoring system, and/or summary report forms (subpart LLL) | 60.647(b) |

A source must keep the following records:

| Recordkeeping | |
|---|---|
| Maintain records of startups, shutdowns, malfunctions of affected facilities; malfunctions of control devices; and periods where the continuous monitoring system is inoperative. | 60.7(b) |
| Keep records of measurements, performance evaluations, calibration checks, adjustments and maintenance related to continuous monitoring systems. | 60.7(f) |
| Keep records of parts of closed vent systems designated as unsafe or difficult to inspect (subpart KKK). | 60.632(a), 60.482-10(l)(1), (2) |
| Keep records of inspections of closed vent systems during which no leaks are detected (subpart KKK). | 60.632(a), 60.482-10(l)(4), (5) |
| Perform attachment of identification numbers to leaking equipment (subpart KKK). | 60.635(a), (b) |
| Keep records of leak detection and repair (subpart KKK). | 60.632(a), 60.486(c), 60.635(a), (b), 60.482-10(l)(3) |
| Keep records of design requirements for and operation of closed vent | 60.635(a), 60.486(d) |

| Recordkeeping | |
|--|------------------------------|
| systems and control devices (subpart KKK). | |
| Keep records listing all equipment subject to (subpart KKK) | 60.635(a), (b), 60.486(e) |
| Keep records of compliance tests (subpart KKK). | 60.635(a), 60.486(e) (4) |
| Keep records of valves designated as unsafe or difficult to monitor (subpart KKK). | 60.635(a), 60.486(f) |
| Keep records of design criterion that indicate failure (subpart KKK). | 60.635(a), 60.486(h) |
| Keep records of parts not in VOC service or otherwise exempt (subpart KKK). | 60.635(a), (c), 60.486(j) |
| Keep records of calculations and measurements (subpart LLL). | 60.647(a) |
| Facilities that choose to comply with 60.646(e) shall keep, for the life of the facility, records demonstrating that the facility design capacity is less than 150 long tons per day (LT/D) of hydrogen sulfide expressed as sulfur (subpart LLL). | 60.647(d) |

Electronic Reporting

Some of the respondents are using monitoring equipment that automatically records parameter data. Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping at a plant site.

Also, regulatory agencies in cooperation with the respondents continue to create reporting systems to transmit data electronically. However, electronic reporting systems are still not widely used. At this time, it is estimated that approximately 10 percent of the respondents use electronic reporting.

(ii) Respondent Activities

| Respondent Activities |
|--|
| Read instructions. |
| Install, calibrate, maintain, and operate CMS for opacity, or for pressure drop and liquid supply pressure for control device. |
| Write the notifications and reports listed above. |
| Enter information required to be recorded above. |

| Respondent Activities |
|---|
| Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information. |
| Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information. |
| Develop, acquire, install, and utilize technology and systems for the purpose of disclosing and providing information. |
| Train personnel to be able to respond to a collection of information. |
| Transmit, or otherwise disclose the information. |

Currently sources are using monitoring and reporting equipment that provide parameter data in an automated way (e.g., continuous parameter monitoring system). Although personnel at the source still need to evaluate the data, this type of monitoring equipment has significantly reduced the burden associated with monitoring and recordkeeping.

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

5(a) Agency Activities

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

| Agency Activities |
|---|
| Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry. |
| Audit facility records. |
| Input, analyze, and maintain data in CDX. |

5(b) Collection Methodology and Management

Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs of the delegated permitting authority. Information contained in the reports will be required to submit records electronically to EPA's Central DATA Exchange (CDX) using the Electronic Reporting Tool. CDX enables fast, efficient and more accurate environmental data submissions from state and local governments, industry and tribes to

the EPA and participating program offices. EPA's CDX is the point of entry on the Environmental Information Exchange Network (Exchange Network) for environmental data submissions to the Agency. CDX works with both EPA program offices looking for a way to better manage incoming data, and stakeholders looking for a way to reduce burden from reporting requirements.

The records required by this regulation must be retained by the owner/operator for two years. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

5(c) Small Entity Flexibility

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

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown below in Table 1: Annual Respondent Burden and Cost, and Summary of Annual Respondents Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

6. Estimating the Burden and Cost of the Collection

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

The Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 121,646 hours (Total Labor Hours from Table 1 below). These hours are based on Agency studies and background documents from the

development of the regulation, Agency knowledge and experience with the NSPS program, the previously approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses the following labor rates:

| | |
|------------|---------------------------|
| Managerial | \$123.04 (\$58.59+ 110%) |
| Technical | \$101.22 (\$48.20 + 110%) |
| Clerical | \$51.18 (\$24.37 + 110%) |

These rates are from the United States Department of Labor, Bureau of Labor Statistics, March 2013, “Table 2. Civilian Workers, by occupational and industry group.” The rates are from column 1, “Total compensation.” The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

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

The type of industry costs associated with the information collection activities in the subject standards are both labor costs which are addressed elsewhere in this ICR and the costs associated with continuous monitoring. The capital/startup costs are one-time costs when a facility becomes subject to the regulation. The annual operation and maintenance costs are the ongoing costs to maintain the monitors and other costs such as photocopying and postage.

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

| Capital/Startup vs. Operation and Maintenance (O&M) Costs | | | | | | |
|---|--|--|--|--|---|------------------------------|
| (A) Continuous Monitoring Device | (B) Capital/Startup Cost for One Respondent | (C) Number of New Respondents | (D) Total Capital/Startup Cost, (B X C) | (E) Annual O&M Costs for One Respondent | (F) Number of Respondents with O&M | (G) Total O&M, (E X F) |
| SO ₂ CEM, control outlet (only for subpart LLL) | \$73,000 | 0 | \$0 | \$17,100 | 4 | \$68,400 |

Assumptions:

^a Costs reflect installation and maintenance of an in-situ SO₂ CEM after the control device and assume installation occurred during the construction of the facility.

^b We expect 4 existing facilities to have annual O&M costs for monitoring under subpart LLL.

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

The total operation and maintenance (O&M) costs for this ICR are \$68,400. This is the total of column G.

The average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be \$68,400. These are recordkeeping costs.

6(c) Estimating Agency Burden and Cost

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

The average annual Agency cost during the three years of the ICR is estimated to be \$478,444.

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

| | |
|------------|--|
| Managerial | \$62.27 (GS-13, Step 5, \$38.92 + 60%) |
| Technical | \$46.21 (GS-12, Step 1, \$28.88 + 60%) |
| Clerical | \$25.01 (GS-6, Step 3, \$15.63 + 60%) |

These rates are from the Office of Personnel Management (OPM), 2013 General Schedule, which excludes locality, rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear below in Table 2: Average Annual EPA Burden and Cost, and Summary of Agency Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

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

Based on our research for this ICR, there is an average of approximately 507 existing respondents subject to subpart KKK, plus 70 existing respondents subject to subpart LLL, over the next three years. New and modified respondents after August 23, 2011 will become subject to the standards at subpart OOOO.

The number of respondents is calculated using the following table that addresses the three years covered by this ICR.

| Number of Respondents | | | | | |
|------------------------------|---|---------------------------------------|---|---|---|
| | Respondents That Submit Reports | | Respondents That Do Not Submit Any Reports | | |
| Year | (A) Number of Existing Respondents that would now report under Subpart OOOO a | (B) Number of Existing Respondents | (C) Number of Existing Respondents that keep records but do not submit reports | (D) Number of Existing Respondents That Are Also New Respondents | (E) Number of Respondents (E= B-C-A-D) |
| Subpart KKK | | | | | |
| 1 | 27 | 561 | 0 | 0 | 534 |
| 2 | 27 | 534 | 0 | 0 | 507 |
| 3 | 27 | 507 | 0 | 0 | 480 |
| Average | 27 | 534 | 0 | 0 | 507 |
| Subpart LLL ^b | | | | | |
| 1 | 3 | 79 | 3 | 0 | 73 |
| 2 | 3 | 76 | 3 | 0 | 70 |
| 3 | 3 | 73 | 3 | 0 | 67 |
| Average | 3 | 76 | 3 | 0 | 70 |
| Total^c | | | | | 577 |

Assumptions:

^a We expect 27 of the existing facilities to undergo modifications in each year, which would indicate these facilities would report under subpart OOOO and no longer report under subpart KKK. For subpart LLL, we expect three facilities to perform a modification and report under subpart OOOO.

^b Affected facilities with design capacities of less than two long tons per day (LT/D) of hydrogen sulfide (H₂S) in the acid gas, expressed as sulfur, have no reporting requirements pursuant to subpart LLL. Three respondents have sources capacities below this threshold.

^c This is the total average of existing respondents subject to both subparts KKK and LLL.

Column D is subtracted to avoid double-counting respondents. As shown above, the average Number of Respondents over the three-year period of this ICR is 507 for subpart KKK and 70 for subpart LLL, respectively. Note all the sources subject to subpart LLL are also subject to subpart KKK.

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

| Total Annual Responses | | | | |
|--|------------------------------|----------------------------|---|--|
| (A) Information Collection Activity | (B) Number of Respondents | (C) Number of Responses | (D) Number of Existing Respondents That Keep Records But Do Not Submit Reports | (E) Total Annual Responses E=(BxC)+D |
| Subpart KKK | | | | |
| Semiannual reports | 507 | 2 | N/A | 1,014 |
| Affirmative defense | 2 | 1 | N/A | 2 |
| Subtotal for Subpart KKK | | | | 1,016 |
| Subpart LLL | | | | |
| Semiannual report | 70 | 2 | N/A | 140 |
| Subtotal for Subpart LLL | | | | 140 |
| TOTAL | | | | 1,156 |

The number of Total Annual Responses is 1,156.

The combined, total labor costs are \$11,899,080 annually. Details regarding these estimates may be found below in Table 1: Annual Respondent Burden and Cost, and Summary of Annual Respondents Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

6(e) Bottom Line Burden Hours and Cost Tables

The detailed bottom line burden hours and cost calculations for the respondents and the Agency are shown in Tables 1 and 2, respectively, and summarized below.

(i) Respondent Tally

The combined, total labor hours are 121,646 hours annually, at a cost of \$11,899,080. Details regarding these estimates may be found in Table 1 below: Annual Respondent Burden and Cost, and Summary of Annual Respondents Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

Furthermore, the annual public reporting and recordkeeping burden for this collection of information is estimated to be a combined average of 105 hours per response.

The total annual capital/startup and O&M costs to the regulated entity are \$68,400. The cost calculations are detailed in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Costs.

(ii) The Agency Tally

The average annual Agency burden and cost over next three years is estimated to be 10,617 labor hours at a cost of \$478,444. See below Table 2: Average Annual EPA Burden and Cost, and Summary of Agency Burden – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal).

6(f) Reasons for Change in Burden

There was an increase of 12,319 hours from the currently approved ICR (i.e., ICR Number 1086.09, OMB Control Number 2060-0120) due to changes to the burden calculation resulting from a rule amendment, as follow:

- To allow the Agency to address the burden for implementation of the current rule under one ICR, we combined the ICR 2438.02 (OMB Control Number 2060-0672), which addresses new requirements for sources per the rule amendment, with the currently approved ICR 1086.09 (OMB Control Number 2060-0120).
- The burden in the renewal of this ICR (ICR 1086.10) has been adjusted to account for all existing and any new requirements under the current rules, as amended, which were not included in the currently approved ICR.
- The number of sources and the number responses in the renewal of this ICR (ICR 1086.10) have decreased because new sources under the current rules will need to meet new requirements under another rule (NSPS Subpart OOO), for which its burden is no longer accounted under this ICR renewal (ICR 1086.10) and will now be accounted under ICR 2437.03 (i.e., OMB Control Number 2060-0673).

These changes in the burden calculation will also result in a labor cost increase.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average a combined total of 105 hours per response. “Burden” means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information either to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB Control Number. The OMB Control Numbers for EPA regulations are listed at 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided

burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OECA-2013-0316. An electronic version of the public docket is available at <http://www.regulations.gov/> which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” and then key-in the docket ID number identified in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), WJC 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 docket center is (202) 566-1752. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OECA-2013-0316 and OMB Control Number 2060-0120 in any correspondence.

Part B of the Supporting Statement

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

Table 1: Annual Respondent Burden and Cost – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal)

| Burden Item | (A) Person- hours per occurrence | (B) No. of occurrences per respondent per year | (C) Person- hours per respondent per year (AxB) | (D) Respondent s per year ^a | (E) Technical person- hours per year (Cx D) | (F) Managem ent person- hours per year (Ex0.05) | (G) Clerical person- hours per year (Ex0.1) | (H) Cost ^b (\$) |
|--|---|--|--|--|--|--|--|-------------------------------|
| 1. Applications | N/A | | | | | | | |
| 2. Survey and Studies | N/A | | | | | | | |
| 3. Reporting requirements | | | | | | | | |
| A. Read instructions | | | | | | | | |
| Subpart KKK | 1 | 1 | 1 | 507 | 507 | 25.35 | 50.7 | \$57,032.43 |
| Subpart LLL | 1 | 1 | 1 | 70 | 70 | 3.5 | 7 | \$7,874.30 |
| B. Required activities | | | | | | | | |
| Subpart KKK | | | | | | | | |
| Notification of construction/reconstruction ^c | 2 | 1 | 2 | 0 | 0 | 0 | 0 | \$0 |
| Notification of modification ^c | 8 | 1 | 8 | 0 | 0 | 0 | 0 | \$0 |
| Notification of anticipated startup ^c | 2 | 1 | 2 | 0 | 0 | 0 | 0 | \$0 |
| Notification of actual startup ^c | 2 | 1 | 2 | 0 | 0 | 0 | 0 | \$0 |
| Notification of electing to comply with alternative standards for valves ^c | 8 | 1 | 8 | 0 | 0 | 0 | 0 | \$0 |
| Notification of initial performance test ^c | 2 | 1 | 2 | 0 | 0 | 0 | 0 | \$0 |
| Affirmative defense | 30 | 1 | 30 | 2 | 60 | 3 | 6 | \$6,749.40 |
| Semiannual reports ^d | 8 | 2 | 16 | 507 | 8,112 | 405.6 | 811.2 | \$912,518.88 |
| Subpart LLL | | | | | | | | |
| Initial performance test | 60 | 1 | 60 | 0 | 0 | 0 | 0 | \$0 |
| Repeat performance test | 60 | 0.2 | 12 | 0 | 0 | 0 | 0 | \$0 |

| Burden Item | (A) Person- hours per occurrence | (B) No. of occurrences per respondent per year | (C) Person- hours per respondent per year (AxB) | (D) Respondent s per year ^a | (E) Technical person- hours per year (CxD) | (F) Managem ent person- hours per year (Ex0.05) | (G) Clerical person- hours per year (Ex0.1) | (H) Cost ^b (\$) |
|---|---|---|--|--|---|--|--|-------------------------------|
| Subpart KKK | See 4A | | | | | | | |
| Subpart LLL | | | | | | | | |
| Records of startup, shutdown, or malfunction | 1.5 | 12 | 18 | 0 | 0 | 0 | 0 | \$0 |
| Records of continuous recording | 0.5 | 700 | 350 | 70 | 24,500 | 1,225 | 2,450 | \$2,756,005.00 |
| Records of capacity data | 2 | 1 | 2 | 3 | 6 | 0.3 | 0.6 | \$674.94 |
| F. Train personnel | | | | | | | | |
| Subpart KKK | See 4C | | | | | | | |
| Subpart LLL | N/A | | | | | | | |
| G. Audits | | | | | | | | |
| Subpart KKK | N/A | | | | | | | |
| Subpart LLL | N/A | | | | | | | |
| Recordkeeping Subtotal | | | | | | 105,145 | | \$10,284,960.70 |
| TOTAL ANNUAL BURDEN AND COST (rounded) | | | | | | 121,646 | | \$11,899,080 |

N/A - Not Applicable.

Assumptions:

^a We have assumed that the average number of existing respondents that will be subject to subpart KKK will be 507. It is also assumed that the average number of existing respondents that will be subject to subpart LLL will be 70. These estimated average accounts for modified facilities after August 23, 2011 subject to subparts KKK and LLL that will become subject to subpart OOOO and therefore, would no longer report under these rules.

^b This ICR uses the following labor rates: \$123.04 per hour for Executive, Administrative, and Managerial labor; \$101.22 per hour for Technical labor, and \$51.18 per hour for Clerical labor. These rates are from the United States Department of Labor, Bureau of Labor Statistics, March 2013, "Table 2. Civilian Workers, by Occupational and Industry group." The rates are from column 1, "Total Compensation." The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

^c New respondents will be subject to subpart OOOO.

^d We have assumed that each existing respondent will take 8 hours, two times per year to write semiannual reports.

^e We have assumed that each existing respondent will take 40 hours, two times per year to write semiannual reports.

^f We have assumed that each existing respondent will take 80 hours to file and maintain records.

^g We have assumed that each existing respondent will take 40 hours to develop record system. New respondents will be subject to subpart OOOO recordkeeping requirements. However, subpart LLL sources that have modified would need to track capacity data during the year it modified.

Summary of Respondent Burden

| Standard | Reporting Burden (hr) | Recordkeeping Burden (hr) | Total Respondent Burden (hr) | Cost (\$) |
|------------------------|-----------------------|---------------------------|------------------------------|---------------------|
| Subpart KKK (rounded) | 9,981 | 76,963 | 86,944 | \$8,504,582 |
| Subpart LLL (rounded) | 6,520 | 28,182 | 34,702 | \$3,394,498 |
| Total (rounded) | 16,501 | 105,145 | 121,646 | \$11,899,080 |

Table 2: Average Annual EPA Burden and Cost – NSPS for Onshore Natural Gas Processing Plants (40 CFR Part 60, Subparts KKK and LLL) (Renewal)

| Activity | (A) EPA person- hours per occurrence | (B) No. of occurrences per plant per year | (C) EPA person- hours per plant per year (AxB) | (D) Plants per year ^a | (E) Technical person- hours per year (Cx D) | (F) Management person-hours per year (Ex0.05) | (G) Clerical person- hours per year (Ex0.1) | (H) Cost ^b (\$) |
|---|---|---|--|--|--|---|---|-------------------------------|
| Subpart KKK | | | | | | | | |
| Review semiannual reports ^c | 8 | 2 | 16 | 507 | 8,112 | 405.6 | 811.2 | \$420,400.34 |
| Subpart LLL | | | | | | | | |
| Review of semiannual reports ^c | 8 | 2 | 16 | 70 | 1,120 | 56 | 112 | \$58,043.44 |
| TOTAL ANNUAL BURDEN AND COST (rounded) | | | | | | 10,617 | | \$478,444 |

Assumptions:

^a We have assumed that the average number of existing respondents that will be subject to subpart KKK will be 507. It is also assumed that the average number of existing respondents that will be subject to subpart LLL will be 70. These estimated average accounts for modified facilities after August 23, 2011 subject to subparts KKK and LLL will become subject to subpart OOOO and therefore, would no longer report under these rules.

^b The cost is based on the following labor rate which incorporates a 1.6 benefits multiplication factor to account for government overhead expenses. Managerial rates of \$62.27 (GS-13, Step 5, \$38.92 × 1.6), Technical rate of \$46.21 (GS-12, Step 1, \$28.88 × 1.6), and Clerical rate of \$25.01 (GS-6, Step 3, \$15.63 × 1.6). These rates are from the Office of Personnel Management (OPM), 2013 General Schedule, which excludes locality, rates of pay.

^c We have assumed that it will take each existing respondent eight hours, two times per year to review semiannual reports.

Summary of Agency Burden

| Standard | Agency Burden (hr) | Cost (\$) |
|-------------|-----------------------|--------------|
| Subpart KKK | 9,329 | \$420,400.34 |
| Subpart LLL | 1,288 | \$58,043.44 |

| | | |
|--------------|---------------|------------------|
| Total | 10,617 | \$478,444 |
|--------------|---------------|------------------|