

**SUPPORTING STATEMENT FOR  
EPA INFORMATION COLLECTION REQUEST NUMBER 1736.07  
EPA'S NATURAL GAS STAR PROGRAM**

**June 30, 2015**

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## 1. IDENTIFICATION OF THE INFORMATION COLLECTION

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

" EPA's Natural Gas STAR Program," ICR number 1736.07, OMB Control No. 2060-0328.

### 1(b) Short Characterization/Abstract

Natural Gas STAR is a voluntary program sponsored by the U.S. Environmental Protection Agency (EPA) that encourages oil and natural gas companies to adopt cost effective technologies and practices that improve operational efficiency and reduce methane emissions. Methane is the primary component of natural gas and a potent greenhouse gas. The Program works with oil and natural gas companies in the production, gathering & processing, transmission, and distribution sectors to remove barriers that inhibit the implementation of technologies and practices that reduce methane emissions. The Program effectively promotes the adoption of emission reduction technologies and practices by helping Natural Gas Star partners evaluate Best Management Practices (BMPs) and Partner Reported Opportunities (PROs) in the context of their current operations, and implement them where cost effective. Implementation of the Program's BMPs and PROs saves participants money, improves operational efficiency, and enhances the protection of the environment.

Organizations become partners by completing and submitting a one-page Memorandum of Understanding (MOU) that outlines responsibilities of the Natural Gas STAR Partner Company and EPA. The MOU commits a Natural Gas STAR partner to review its activities that result in methane emissions and consider implementation of appropriate BMPs and PROs that reduce methane emissions, generate revenue, and improve operational efficiency.

Natural Gas STAR partners also agree to submit an Implementation Plan within six to twelve months (depending on partner sector) of signing the MOU and to submit an annual report. Annual reporting is a key requirement to the Program. After one full year of participation in the Program, EPA requires partners to submit an annual report documenting the previous year's methane emission reduction activities. Partners must report methane emission reduction activities on an annual basis to remain in good standing. Partners are encouraged to communicate their Program successes, which the EPA facilitates by providing templates and communication strategies. EPA also provides Program implementation assistance by analyzing emerging technologies and conducting technology transfer workshops and webinars.

The voluntary agreement can be terminated by the Natural Gas STAR partner or EPA with no notice or penalties and further obligation.

### **1(c) Terms of Clearance of the Information Collection**

When this collection was approved in 2011, OMB noted the following terms of clearance:

*The data gathered under this collection represents estimates of emissions reductions associated with activities reported by participants in the Natural Gas STAR Program. Some of the activities and emissions reductions may have been achieved in the absence of the Natural Gas STAR program. For this reason, the data is not appropriate for use as an aggregate summary of emissions reductions resulting from the program, but is instead correctly characterized as activities and reductions associated with Program partners' reported activities. The Agency should exercise care to ensure that the data not be characterized inappropriately in program effectiveness measures, on the Program website, or in other communications. When this ICR is resubmitted for renewal, EPA should continue to address the extent to which the partners would have reduced their emissions in the absence of this program.*

EPA recognizes that some of the activities and emissions reductions reported by partners may have been achieved in the absence of the Program. EPA also recognizes that there are emissions reductions occurring in the industry that have been a direct or indirect result of the influence of the Program, but that are not being reported to EPA. EPA will continue to be clear in any Program-related communication that provides a summary or an aggregation of emission reductions that these reductions result from partners' reported activities.

As discussed in prior ICR Supporting Statements, the extent to which Partners would have reduced emission in the absence of the Program is a challenging question. Natural Gas STAR Program partners are requested to submit Implementation Plans every three years to describe the methane emissions reduction practices they plan to evaluate and implement. Partners are also asked to submit annual progress reports detailing their emission reduction activities during the previous calendar year. The Natural Gas STAR Program focuses on partner implementation of BMPs and PROs that were undertaken voluntarily, not reductions attributable to compliance with existing regulations. Because of increased state and local regulations focused on greenhouse gas emissions and air quality issues, the number of voluntary practices that would have counted as emission reductions achieved by Natural Gas STAR partners has been reduced in recent years. This trend is expected to continue in the future.

The methane emission reductions reported by partners include reductions associated with the implementation of BMPs and through the adoption of PROs. PROs are activities identified by Natural Gas STAR partners, beyond the core BMPs that result in methane emissions reductions. It is worth noting that for 2009 nearly 91 percent of the domestic methane emissions reductions reported to Natural Gas STAR could be attributed to PROs. A significant portion of Natural Gas STAR's efforts in recent years has been devoted to promoting PROs by highlighting them in the

Program's *Partner Update* newsletter, developing technical documents, and hosting specialized technology transfer workshops.

The methane emission reduction data that are submitted to EPA are used to determine Program emission reduction totals and measure the overall effectiveness of the Natural Gas STAR Program. EPA does not attribute all of the methane emission reductions to the Program. For example, Distribution BMP 2—Identify and Rehabilitate Leaky Distribution Pipes—is an activity that is required by DOT regulations and is not included in our characterization of Program accomplishments. Additionally, each annual report receives a quality assurance/quality control check to ensure that all data are accurate. Any inconsistencies are resolved through correspondence with the appropriate partner company.

In an effort to ensure that EPA accurately reflects the impact of the Program, we have performed a scenario analysis. As shown in Figure 1, a business as usual scenario was developed that displays projected methane emissions in the absence of the Natural Gas STAR Program. Alternative emissions scenarios are constructed by multiplying emission factors by projected levels of production, processing and transmission/distribution and subtracting emission reductions from “Gas STAR” and then “All Cost Effective Options” respectively. The emission factors are assumed to decline 5% over 25 years to reflect increased efficiencies in the natural gas system. Overall, Figure 1 shows increased emissions over time with a brief decline between 2005 and 2010 due to the contraction of the U.S. economy.

In the same figure, cost-effective mitigation options are defined as those options where the project generates a positive internal rate of return. While these options are cost effective, they are not implemented in the no-action scenario because of information, policy and other non-cost barriers. The difference between this emission scenario and the no-action scenario represents the total potential emission reduction that would reasonably be achieved by the Natural Gas STAR Program if all barriers to implementation were removed.

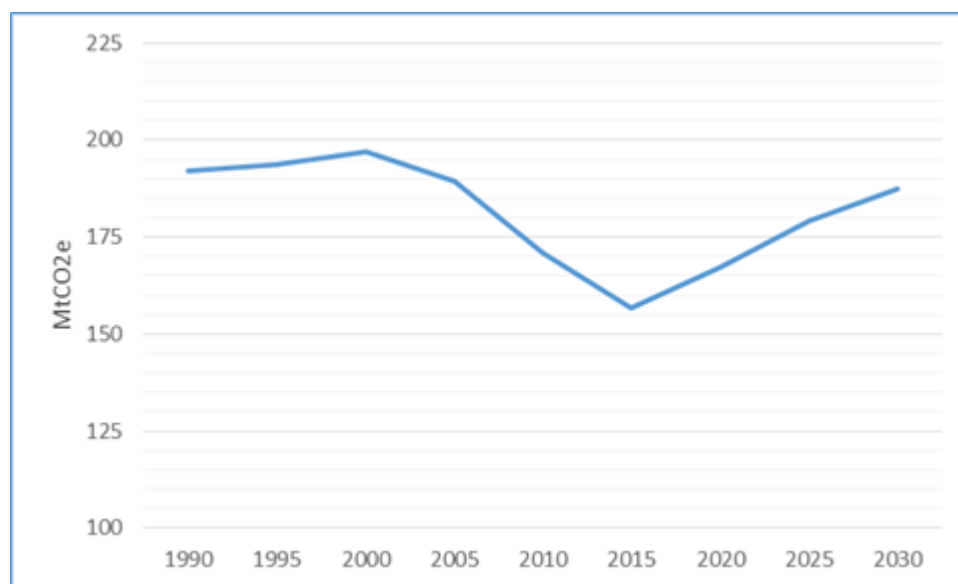
Using this analysis as a guide, EPA is able to estimate the extent to which regulatory, information, and other barriers that often inhibit the implementation of these activities can be overcome by the Natural Gas STAR Program. The Program overcomes these barriers through a variety of activities including:

- Developing technical fact sheets, reports, and articles;
- Hosting Technology Transfer Workshops and an Annual Implementation Workshop;
- Providing support to partner companies;
- Supporting research activities;
- Publicizing achievements of partner companies; and
- Making available to partners a mechanism for recording and storing information about methane emission reduction activities.

In addition to benefiting partner companies, the above activities benefit non-partner companies.

For example, all the technical documents developed by the Program are made available to the public on the Natural Gas STAR website, and workshop attendance is not restricted to Program partners. Therefore, it can be assumed that a substantial portion of the natural gas industry not participating in Natural Gas STAR is also implementing some of the methane emission reduction activities that are encouraged by the Program. As noted above, Natural Gas STAR does not attempt to estimate the accomplishments of these companies, even though their activities are at least partially due to the existence of the Natural Gas STAR Program.

**\*Figure 1: Natural Gas Industry Methane Emission Projections**



**\*Notes and Data Sources:**

- Historic emissions shown for time period 1990-2010. Data from U.S. Inventory of Greenhouse Gases and Sinks
- Projected emissions shown for time period 2015-2030. Data from 2014 U.S. Climate Action Report to the United Nations Framework Convention on Climate Change
- Historic and projected emissions include actual and projected emissions reductions achieved through Gas STAR
- The overall trend in the projected baseline is growth in emissions from natural gas; the emissions decline between 2005 and 2010 can be attributed to economic contraction.

**2. NEED FOR AND USE OF THE COLLECTION**

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

EPA has developed this ICR to obtain authorization to collect information from Natural Gas STAR partners. EPA needs to collect initial information as outlined in the one-page MOU. The MOU provides general information on the Natural Gas STAR partner company and includes relevant points of contact.

The Implementation Plan and annual reporting are necessary to evaluate a partner's progress in implementing the Program and to assess overall Program results. The information provided in the Implementation Plan and submitted through the annual reporting process also allows EPA to track the BMPs and PROs most commonly reported and to provide technical and other assistance to partners.

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

EPA uses the information provided in the MOUs to populate its contacts database/tracking system (including information on current and past Natural Gas STAR partners). This information serves as a source of general information and a mailing list.

EPA uses the information submitted in the Implementation Plans and annual reports to document the progress of partner companies in implementing the Program and reducing methane emissions. EPA enters annual report information received from partners into iSTAR — a client management database. On an annual basis, EPA also aggregates these data and provides updated accomplishments information on its website and prepares partner summary reports.

With partner permission, EPA uses these data to develop technical documents on specific technologies and practices and prepare case studies showing successful implementation experiences. These documents are publicly available and demonstrate the benefits that can be realized through the implementation of technologies and practices.

## **3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

### **3(a) Nonduplication**

EPA recently finalized Subpart W of the Greenhouse Gas Reporting Program that requires companies to begin collecting methane emissions data as of January 1, 2011. The first year of mandatory greenhouse gas data collection for the oil and natural gas industry was 2011. While the data collected for the rule is methane emissions (and not methane emission reductions) it is anticipated that this information will complement and augment the emission reductions data EPA has received from companies over the years. This rule will increase the understanding of the location and magnitude of significant methane emissions sources in the petroleum and natural gas industry. This rule complements, but does not replace the information reported to EPA under this

ICR. This information will help companies improve the efficiency of their operations and deliver more natural gas to markets. This will result in cross-cutting benefits for public health, domestic energy supply, industrial efficiency and safety, and revenue generation. This information will inform the development of future greenhouse gas policy and regulation.

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

In compliance with the Paperwork Reduction Act of 1995, EPA solicited public comments on the ICR through an announcement in the *Federal Register* on April 2, 2015 (76 FR 6460). No comments were received in response to the notice.

### **3(c) Consultations**

Since the last ICR Renewal, all of the information collection procedures for Natural Gas STAR have remained the same. EPA conducted a total of three consultations with representatives from Consolidated Edison of New York, Seneca Resources and Southwestern Energy.

EPA received no objections from these company representatives to this information request. Contact information for the companies consulted are as follows:

Steve Yapchanyk  
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Consolidated Edison Company of New York  
Bronx, NY 10462-3301  
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(814) 220-1591

Doug Jordan  
Manager, Corporate Air Programs  
Southwestern Energy Company  
Houston, TX 77032  
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(281) 618-7628



### **3(d) Effects of Less Frequent Collection**

The completion and submittal of the MOU is a one-time activity for companies that voluntarily choose to become a partner in the Natural Gas STAR Program. Partners must also prepare and submit an Implementation Plan, and revise the plan every three years. Partners must also submit an annual report while participating in the Program. EPA believes that a reduction in the frequency of the information collection and submission of annual reporting data would impede efforts by EPA to evaluate results of the Program.

### **3(e) General Guidelines**

None of these reporting or record keeping requirements violate any of the regulations established by OMB in 5 CFR 1320.5.

### **3(f) Confidentiality**

Participation in the Natural Gas STAR Program is voluntary. Natural Gas STAR partners may designate information submitted under this ICR as confidential business information. EPA will treat such information as confidential business information and will not make the company or agency-specific information collected under this ICR available to the general public.

### **3(g) Sensitive Questions**

No sensitive questions are asked in the MOU, Implementation Plan, or the annual report.

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

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

The following is a list of North American Industry Classification System (NAICS) Codes and associated industries that may be affected by information collection requirements covered under this ICR:

211	Oil and Gas Extraction
221	Natural Gas Distribution
486	Pipeline Transportation of Natural Gas

### **4(b) Information Requested**

EPA's Natural Gas STAR Program specifies requirements for partners. The following identifies the partnership forms contained in this ICR. A detailed justification for each reporting requirement immediately follows. Burden estimates are summarized in Exhibit A.

## **Memorandum of Understanding**

New Natural Gas STAR partners are required to sign and submit to EPA a one-page MOU that describes the terms of participation in the Program. This MOU identifies company points of contact and initiates the partnership in the program. The MOU forms covered under this ICR include:

- Production Partners: EPA Form No. 5900-105
- Transmission Partners: EPA Form No. 5900-96
- Distribution Partners: EPA Form No. 5900-98
- Gathering and Processing Partners: EPA Form No. 5900-101
- International Partners: EPA Form No. 5900-108

(i) Data items:

Partners must provide the following information in the MOU:

- The name, title, address, telephone and facsimile number, and email address of a Natural Gas STAR Program Implementation Manager and a Media Liaison.
- The name and signature of the partners' Authorized Company Representative.

(ii) Respondent activities:

In signing the MOU, partners must perform the following activities:

- Download (from the Natural Gas STAR website) and review the one-page MOU;
- Gather requested information and complete the MOU; and
- Sign the MOU and submit it to EPA.

## **Implementation Plan**

Partners must complete and submit a Natural Gas STAR Implementation Plan within six to twelve months of signing the MOU. The Implementation Plan facilitates development of a strategy outlining how partners will identify non-regulatory methane emission reduction activities they intend to undertake, plan for new activities, and develop mechanisms for tracking methane emission reduction data and activities. An Implementation Plan is a living document that changes over time as each partner's goals and commitment evolve. The Implementation Plan forms covered under this ICR include:

- Production Partners: EPA Form No. 5900-103
- Transmission Partners: EPA Form No. 5900-109
- Distribution Partners: EPA Form No. 5900-97

- Gathering and Processing Partners: EPA Form No. 5900-100
- International Partners: EPA Form No. 5900-106

(i) Data items:

The Implementation Plan form requests the following information:

- General company information (e.g., company name and contact, position, mail and e-mail addresses, telephone and facsimile numbers, etc.);
- Summary of activities that the partner intends to implement;
- Information on applicable BMPs that the partner might implement. The BMPs are sector specific and include the following:
  - Directed inspection and maintenance at gate stations and surface facilities
  - Identify and rehabilitate leaky distribution pipe
  - Implement directed inspection and maintenance at compressor stations
  - Use of turbines at compressor stations
  - Identify and replace high bleed pneumatic devices
  - Install flash tank separators on glycol dehydrators
  - Convert gas pneumatics to instrument air systems
  - Directed inspection and maintenance at gas plants and booster stations
- Information on PROs that the company chooses to evaluate and implement; and
- Plans to inventory past methane emission reductions as the Program encourages partners to report past emission reduction activities not previously reported to EPA.

(ii) Respondent activities:

Partners must conduct the following activities in preparing the Implementation Plan:

- Review the instructions;
- Gather the requested information and develop the Implementation Plan;
- Complete the form(s);
- Sign and submit the plan to EPA; and
- Update the plan as priorities shift overtime. The Plan is revised or updated by submitting a new form to EPA.

### **Annual Report**

Annual reporting is a key requirement to remaining a partner in the Natural Gas STAR Program. After one full year of participation in the Program, EPA requires partners to submit an annual report documenting the previous year's methane emission reduction activities. The report documents voluntary (non-regulatory driven) methane emission reduction activities that partner companies have implemented in the previous year, including corresponding methane emissions

reductions achieved, and to the extent available, the economics associated with each activity. The annual reporting forms covered under this ICR include:

- Production Partners: EPA Form No. 5900-104
- Transmission Partners: EPA Form No. 5900-95
- Distribution Partners: EPA Form No. 5900-99
- Gathering and Processing Partners: EPA Form No. 5900-102
- International Partners: EPA Form No. 5900-107

(i) Data items:

The annual report form requests the following information:

- General company information (e.g., company name and contact, position, mail and e-mail addresses, telephone and facsimile numbers, period covered by report, etc.);
- Annual report summary;
- Information on Best Management Practices implemented. These are sector specific and reported as:
  - Directed inspection and maintenance at gate stations and surface facilities
  - Identify and rehabilitate leaky distribution pipe
  - Implement directed inspection and maintenance at compressor stations
  - Use of turbines at compressor stations
  - Identify and replace high bleed pneumatic devices
  - Install flash tank separators on glycol dehydrators
  - Convert gas pneumatics to instrument air systems
  - Directed inspection and maintenance at gas plants and booster stations
- Information on applicable PROs that the company implemented; and
- Information on additional program accomplishments that a partner wishes to share. This might include efforts to strengthen program participation (e.g., training/education, innovative technologies or activities, pilot projects, employee incentive programs) and/or efforts to communicate participation (e.g., newsletters, press releases, external website).

(ii) Respondent activities:

Partners must conduct the following activities in preparing the annual report:

- Review the instructions;
- Gather the requested information for the initial report;
- Complete the initial form(s);
- Sign and date the initial report;
- Submit the initial report to EPA; and
- Prepare and submit a subsequent annual report.

## **Other Activities**

During participation in the Program, partners are required to notify EPA within two weeks if there is a change to the Natural Gas STAR Program Implementation Manager or Media Liaison responsibility.

### (i) Data items:

Partners with changes to the Natural Gas STAR Program Implementation Manager or Media Liaison must provide EPA with the name of the new contact.

### (ii) Respondent activities:

Notify EPA within two weeks of any change in Natural Gas STAR Implementation Manager or Media Liaison responsibility.

## **5. THE INFORMATION COLLECTED-AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

### **5(a) Agency Activities**

The Natural Gas STAR Program performs various activities after a partner submits an MOU, Implementation Plan, or annual report.

#### **Memorandum of Understanding**

EPA performs the following activities upon receipt of an MOU:

- Review the MOU to ensure completeness and accuracy, and conduct follow up, if necessary;
- Countersign the MOU;
- Develop a cover letter and welcome packet with relevant program information;
- Copy the cover letters and MOUs;
- Send cover letter, original MOU and welcome packet to partner;
- File copies of cover letters and MOUs; and
- Enter MOU information into tracking database.

#### **Implementation Plan**

EPA performs the following activities upon receipt of an Implementation Plan:

- Review the plan to ensure completeness and accuracy, and conduct follow-up, if necessary;
- Make copies of the plan for the program files;

- File copies of the plan; and
- Enter information into a tracking database.

### **Annual Report**

EPA performs the following activities upon receipt of an annual report:

- Review the report to ensure completeness and accuracy, and conduct follow-up, if necessary;
- Make copies of the report;
- File copies of the report; and
- Enter information into an emissions reduction data management database and review the entered data to ensure correctness (quality assurance and/or quality control).

### **Additional Activities**

EPA also enters any changes in partner's contact information into a database (e.g., Implementation Manager's responsibility and updates to newsletter mailing list).

### **5(b) Collection Methodology and Management**

In collecting and analyzing the information associated with this ICR, EPA uses typical office equipment such as telephones, computers, and database and word processing software systems.

For the collection of Program information, Natural Gas STAR has developed various templates and tools to assist partners. The Natural Gas STAR MOU, Implementation Plan, and reporting forms are available on the Program website in both PDF and MS Word formats. Partners can submit completed forms or data to EPA electronically via email. EPA also created an online reporting system to streamline the collection and submission of annual methane emissions reduction data from partners.

EPA ensures the accuracy and completeness of collected information by reviewing each submission. EPA enters the information obtained from the MOU, Implementation Plan, and annual reports into a database and aggregates data obtained from annual reports to track the progress of partners in reducing methane emissions.

### **5(c) Small Entity Flexibility**

EPA has designed its Program forms and associated electronic reporting system to minimize respondent burden while obtaining sufficient and accurate information; the estimated burden cannot be further reduced for small entities. It should be noted that the burden associated with the Natural Gas STAR Program is reduced over the course of a partner's participation.

### **5(d) Collection Schedule**

EPA collects initial partner information in the one-page MOU, which is completed and submitted by each partner upon their decision to participate in the Program. The Implementation Plan is submitted by partners within six to twelve months of signing the MOU. Each spring, EPA collects information in the annual report to monitor methane emissions reductions progress. EPA may also collect other Program information on a periodic basis or as the information is submitted. This could include notification of a change in Implementation Manager or changes to a partner's operating circumstances (change in ownership, assets, etc.).

## **6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION**

### **6(a) Estimating Respondent Burden**

Exhibit 1 presents the estimated annual respondent burden and costs for information collection activities associated with the Natural Gas STAR Program.





– Clerical Staff GS-05, Step 1

To derive the loaded hourly estimates, EPA multiplied hourly rates by the standard government overhead factor of 1.6.

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

Currently, there are 109 Natural Gas STAR Partners nationally and the majority of these partners are distribution companies. EPA believes that many of the major domestic oil and natural companies in all sectors have already joined the Program. Based on recent Program activity, EPA anticipates that an average of five new partners will join the Program annually. This number is expected to remain essentially constant as more international companies and smaller independent companies continue to join the Program.

The average annual cost and burden estimates during the next 3-year ICR period are based on the average number of partners as shown in Table 1. The number of total partners dropped between 2013 and 2014 due in part to a loss of partners, and in other cases, mergers and acquisitions in the domestic industry. However, EPA does not expect the total number of partners as of 2014 to change for the period of this ICR.

TABLE 1  
Estimated Number of U.S. Program Partners

Type of Partner	2012	2013	2014	Average
New Partners Enrolled	5	1	4	3.3
Total Program Partners	137	138	109	128
Type of Partner	2015	2016	2017	Average
New Partners	5	5	5	5
Total Program Partners	114	119	124	119

**Memorandum of Understanding**

Each prospective partner must complete and submit a one-page MOU to join the Program. EPA expects that four new partners will complete and submit an MOU each year.

**Implementation Plan**

New partners are requested to complete and submit an Implementation Plan within six to twelve months (depending on partner sector) of signing and submitting the MOU. EPA estimates that a range of 5 to 45 partner companies might update or submit an Implementation Plan over the three year period of this ICR.

**Annual Report**

All existing partners must complete and submit an annual report after one full (calendar) year of joining the Program, and annually in the subsequent years of participation. EPA expects that the five new Program partners will join each year and complete and submit an annual report, and an average of 109 existing partners will review the instructions for the annual report, but an average of 70 will complete and submit the annual report.

**Additional Activities**

EPA estimates that approximately 7 percent of all partners experience changes in their Implementation Manager and/or Media Liaison responsibilities each year. Thus, EPA estimates that an average of 8 partners ( $109 \times 0.07$ ) will notify EPA of changes in Implementation Manager and/or Media Liaison responsibilities each year.

**EXHIBIT 1  
ESTIMATED ANNUAL RESPONDENT  
BURDEN AND COST**

**Hours and Costs Per Respondent/Activity**

**Total Hours and Costs**

									Number of		
	Leg.	Mgr.	Tech.	Cler.	Total Respon.	Labor	Capital	O & M	Respon.	Total	Total
	\$71.73	\$61.42	\$54.61	\$21.8	8	Hours/	Cost/	Startup	or	Hours/	Cost/
<b>INFORMATION COLLECTION ACTIVITY<sup>1</sup></b>	<b>Hour</b>	<b>Hour</b>	<b>Hour</b>	<b>Hour</b>	<b>Activit</b>	<b>Activity</b>	<b>Cost</b>	<b>Cost</b>	<b>Activitie</b>	<b>Year</b>	<b>Year</b>
<b>Memorandum of Understanding</b>											
Receive and review the MOU	2.00	8.00	16.00	4.00	30.00	\$1,596.10	\$0	\$0	5	150	\$7980.5
Gather information and fill out MOU data sheet	1.00	25.00	0.00	2.00	28.00	\$1,650.99	\$0	\$0	5	140	\$8254.95
Sign and submit MOU to EPA	0.00	0.50	0.00	0.50	1.00	\$41.65	\$0	\$0	5	5	\$208.25
<b>SUBTOTAL</b>										295	\$16443.70
<b>Implementation Plan</b>											
Review instructions	0.00	2.00	0.00	0.00	2.00	\$122.84	\$0	\$0	5	10	\$614.20
Gather information and develop the Implementation Plan	0.00	10.00	10.00	0.00	20.00	\$1,160.30	\$0	\$0	5	100	\$5,801.50
Complete the form(s)	0.00	1.00	0.00	1.00	2.00	\$83.30	\$0	\$0	5	10	\$833

Sign and submit plan to EPA	0.00	0.50	0.00	0.50	1.00	\$41.65	\$0	\$0	5	5	\$208.25
Update Implementation Plan, as necessary and Submit to EPA	0.00	6.50	4.00	1.50	12.00	\$650.49	\$0	\$0	5	60	\$3,252.45
SUBTOTAL										185	\$10,709.40
<b>Annual Report</b>											
Review instructions	0.00	7.00	0.00	0.00	7.00	\$429.94	\$0	\$0	119	903	\$51,162.86
Gather the requested information for the initial report	0.00	10.00	37.00	0.00	47.00	\$2,634.77	\$0	\$0	70	3,290	\$184,433.90
Complete the initial form(s)	0.00	4.00	0.00	1.00	5.00	\$267.56	\$0	\$0	70	350	\$18,729.20
Sign and submit the initial report to EPA	0.00	0.50	0.00	0.50	1.00	\$41.65	\$0	\$0	70	70	\$2,915.50
Prepare and submit a subsequent Annual Report	0.00	9.00	17	1	27.00	\$1,503.03	\$0	\$0	70	1,890	\$105,212.10
SUBTOTAL									70	6,503	\$362,453.56
<b>Additional Activities</b>											
Notify EPA within two weeks of any change in Natural Gas Star Implementation Manager responsibility	0.00	1.00	0.00	0.50	1.50	\$72.36	\$0	\$0	8	12	\$578.88
SUBTOTAL									8	12	\$578.88
TOTAL										6,995	\$390,185.54

1 Since the last ICR renewal, EPA has removed O&M costs for postage for respondents. The majority of Natural Gas STAR partners use the online reporting system to submit Annual Reports or submit reports via e-mail as Excel spreadsheets, Word documents, or scanned PDFs. Also, partners submit MOUs and Implementation Plans via e-mail as scanned PDFs or some other type of electronic format. Therefore, costs associated with postage are negligible.

**EXHIBIT 2**  
**ESTIMATED ANNUAL AGENCY**  
**BURDEN AND COST**

INFORMATION COLLECTION ACTIVITY	Hours and Costs for Agency Per Activity								Total Hours and Costs		
	Leg. \$96.78	Mgr. \$82.28	Tech. \$58.56	Cler. \$26.65	Agency Hours/	Labor Cost/	Capital/ Startup Cost	O & M Cost	Respon. or	Number of Total Hours/	Total Cost/
	Hour	Hour	Hour	Hour	Activity	Activity	Cost	Cost	Activitie s	Year	Year
<b>Memorandum of Understanding</b>											
Review MOU and follow up, if necessary	0.00	0.00	1.00	0.00	1.00	\$59	\$0	\$0	5	5	\$295
Sign the MOU	0.00	0.05	0.00	0.00	0.05	\$4	\$0	\$0	5	.25	\$20
Develop a cover letter	0.00	0.00	0.00	0.10	0.10	\$2	\$0	\$0	5	.5	\$10
Copy cover letters and MOUs	0.00	0.00	0.00	0.08	0.08	\$2	\$0	\$0	5	.4	\$10
Send cover letters and original MOU back to partner	0.00	0.00	0.00	0.10	0.10	\$2	\$0	\$5	5	.5	\$10
File copies of cover letters and MOUs	0.00	0.00	0.00	0.10	0.10	\$2	\$0	\$0	5	.5	\$10
Enter MOU information into a data base	0.00	0.00	0.00	0.25	0.25	\$7	\$0	\$0	5	1.25	\$35
Subtotal										8.4	\$390
<b>Implementation Plan</b>											
Review plan and follow up, if necessary	0.00	0.00	2.00	0.00	2.00	\$117	\$0	\$0	50	100	\$5,850
Make copies of plan	0.00	0.00	0.00	0.08	0.08	\$2	\$0	\$0	50	4	\$100
File copies of plan	0.00	0.00	0.00	0.10	0.10	\$2	\$0	\$0	50	5	\$100
Enter information into data base	0.00	0.00	0.00	0.25	0.25	\$7	\$0	\$0	50	12.5	\$350
Subtotal										121.5	\$6400

<b>Annual Report</b>											
Review report and follow up, if necessary	0.00	0.00	4.00	0.00	4.00	\$234	\$0	\$0	154	616	\$36036
Make copies of report	0.00	0.00	0.00	0.08	0.08	\$2	\$0	\$0	154	12.32	\$308
File copies of report	0.00	0.00	0.00	0.10	0.10	\$2	\$0	\$0	154	15.4	\$308
Enter information into data base	0.00	0.00	0.00	0.50	0.50	\$13	\$0	\$0	154	77	\$2002
Subtotal										720.72	\$38654
<b>Additional Activities</b>											
Enter updated information into data base	0.00	0.00	0.00	0.25	0.25	\$7	\$0	\$0	8	4	\$56
TOTAL										854.62	\$45500

### **6(e) Bottom Line Burden Hours and Costs**

Exhibits 1 and 2 show the aggregate annual burden and cost to respondents and the government, respectively, for the information collection activities covered under this ICR.

#### **(i) Respondent Tally**

The total burden for respondents is approximately 6,995 hours per year with an annual cost of approximately \$390,185. Over the three-year period covered by this ICR, EPA estimates the burden of the Program to be 20,985 hours and \$1,170,556 for respondents.

#### **(ii) The Agency Tally**

The total annual burden to the Agency is approximately 854 hours with a cost of approximately \$45,500 per year. Over the three-year period covered by this ICR, EPA estimates the burden of the Program to be 2,562 hours and \$136,500 for EPA.

#### **(iii) Variations In The Annual Bottom Line**

EPA anticipates minimal variation in the annual respondent reporting/recordkeeping burden over the three-year period covered by this ICR.

### **6(f) Reasons for Change in Burden**

The overall annual reporting burden for respondents increased from 5,201 hours in the previous ICR to 6,995 hours in the current ICR. This change is attributed to additional information provided by Natural Gas STAR partners consulted that the old burden estimate did not fully reflect the average time burden of program participation.

Since the last ICR renewal, the overall annual cost decreased from \$478,582 to \$390,185 which reflects information from our consultations that showed a wider labor rate range among partners. Our last ICR used labor rates specific to the industry that were the highest within each labor category. This ICR estimates labor rates based on the mean for the labor category within the Natural Gas Distribution NAICS 221000 industry from May 2014: [http://www.bls.gov/oes/current/naics4\\_221200.htm#11-0000](http://www.bls.gov/oes/current/naics4_221200.htm#11-0000).

### **6(g) Burden Statement**

The average overall annual burden for information collection requirements associated with this ICR is estimated to be 63 hours per response.

For new partners, the average reporting burden per partner for information collection requirements associated with completing the MOU is estimated to be 66 hours. The burden estimate includes time to receive and review the MOU; gather information and fill out the MOU data sheet; and sign and submit the MOU to EPA.

The average reporting burden per partner for information collection requirements associated with completing the Implementation Plan is estimated to be 37 hours. The burden estimate includes time to review the plan form; gather the requested information; complete the form; sign and date the form; and submit the form to EPA.

The average per partner reporting burden for information collection requirements associated with completing the annual report is estimated to be 58 hours. The burden estimate includes time to review the reporting package (forms and any Program updates); gather the requested information; complete the form; sign and date the form; and submit the form to EPA.

For Natural Gas STAR partners, the average per partner reporting burden for information collection requirements associated with additional activities is estimated to be 1.5 hours. The reporting burden includes time to notify EPA of changes in Natural Gas STAR Program Implementation Manager and/or Media Liaison responsibility.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2004-0082, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the Air and Radiation Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the



telephone number for the Air and Radiation Docket is 202-566-1742. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2004-0082 and OMB Control Number 2060-0328 in any correspondence.