

**1 Supporting Statement for a Request for OMB Review
Under the Paperwork Reduction Act**

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title and Number of the Information Collection

Title: Assessment of Environmental Performance Standards and Ecolabels for Federal Procurement

EPA ICR No.: 2516.01

OMB Control No.: 2070-NEW

Docket ID No.: EPA-HQ-OPPT-2014-0838

1(b) Short Characterization/Abstract

On November 27, 2013, EPA issued for public comment Draft Guidelines for Product Environmental Performance Standards and Ecolabels for Voluntary Use in Federal Procurement; see Attachments 5 and 6. As stated in the **Federal Register** notice (78 FR 70938; see Attachment 3), EPA's goal in developing these Guidelines is to create a "transparent, fair, and consistent approach to selecting product environmental performance standards and ecolabels to support the Agency's mission and federal sustainable acquisition mandates." The fundamental aim of the Guidelines is to establish a cross-sector framework to be used in recognizing non-governmental environmental standards (and consequently, environmentally preferable products meeting these standards) for use in federal procurement.

The draft Guidelines include four sections:

1. Guidelines for the Process for Developing Standards refers to the procedures used to develop, maintain, and update an environmental standard.
2. Guidelines for the Environmental Effectiveness of the Standards refers to the criteria in the environmental standard or ecolabel that support the claim of environmental preferability.
3. Guidelines for Conformity Assessment refers to the procedures and practices by which products are assessed for conformity to the requirements specified by standards and ecolabeling programs.
4. Guidelines for Management of Ecolabeling Programs refers to the organizational and management practices of an ecolabeling program.

EPA has responded to public comments and released a new version of the Guidelines at <http://www.epa.gov/draftGuidelines/responses.html>. The majority of public comments supported EPA undertaking -- with key external entity and stakeholder participation -- additional work to further refine the Guidelines and test a potential approach to assessing standards and ecolabels. Therefore, in this next phase of work, EPA has contracted with Resolve to convene a coordinating Governance Committee, product category-specific multi-stakeholder panels, and an independent assessment entity, Industrial Economics, to develop and pilot test an approach in three sectors.

EPA has chosen the following three purchase categories to pilot in 2016: furniture, building flooring, and building paints/coatings. An additional to-be-determined product category may be addressed depending upon available resources and other considerations.

These sectors were chosen because they meet some or all of the following criteria:

- Potentially significant environmental and/or human health impact (based on lifecycle assessments and hazard and risk assessments)
- Opportunity for environmental and/or human health improvement through private sector standards/ecolabels;
- Significant volume of federal purchases; and
- Current federal sustainable acquisition mandates in the category are limited, out-of-date, and/or could be augmented with private sector standards.

2. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

EPA is engaging in this collection pursuant to the authority in the Pollution Prevention Act (42 U.S.C.A. section 13103(b)(11); see Attachment 1) which requires EPA to “Identify opportunities to use Federal procurement to encourage source reduction” and section 12(d) of the “National Technology Transfer and Advancement Act of 1995” (15 U.S.C. 272 note; hereinafter “the NTTAA;” see Attachment 2), which requires Federal agencies to “use technical standards that are developed or adopted by voluntary consensus standards bodies, using such technical standards as a means to carry out policy objectives or activities.” Federal agencies need this assessment per the Guidelines to determine which, among sometimes dozens of private sector standards within a single purchase category, are appropriate and effective in meeting federal procurement goals and mandates.

Federal agencies must comply with the following sustainability-related purchasing mandates:

- Section 3(i)(iii) of Executive Order 13693 (Planning for Federal Sustainability in the Next Decade) (March 19, 2015);
- Section 6002 of the Resource Conservation and Recovery Act;
- Section 9002 of the Farm Security and Rural Investment Act of 2002;
- The Energy Policy Act; and
- The Federal Acquisition Regulation (FAR), including FAR Part 23 (Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace) (see http://www.whitehouse.gov/omb/procurement_index_green).

Via the NTTAA, Congress required Federal agencies to “use technical standards that are developed or adopted by voluntary consensus standards bodies, using such technical standards as a means to carry out policy objectives or activities,” except when an agency determines that such use “is inconsistent with applicable law or otherwise impractical.” Office of Management and Budget (OMB) Circular A-119 (titled “Federal Participation in the Development and Use of Voluntary Consensus Standards and in Conformity Assessment Activities”) reaffirms Federal agency use of non-governmental standards in procurement.

While Federal purchasing policy is clear for the several standards and ecolabels that are listed in statute, regulation, or Executive Order, the lack of independently assessed information about and federal guidance on using other product environmental performance standards and ecolabels often results in an inconsistent approach by Federal purchasers and confusion and uncertainty for vendors and manufacturers.

2(b) Practical Utility/Users of the Data

As envisioned by EPA and supported by public comment, it would not be practical for individual procurement officers or even individual federal agencies to assess and make determinations regarding which standards and ecolabels are appropriate and effective in meeting federal procurement goals and mandates. Therefore, EPA is proposing to test an approach that could serve government-wide interest in assessing and selecting standards and ecolabels to support the aforementioned environmentally preferable purchasing goals and mandates in a fair, transparent, and consistent manner based on agreed upon guidelines and independent assessment.

The guidelines to be used for assessing standards and ecolabels include criteria for both the process by which standards and ecolabels are developed and managed and the effectiveness of the standards and ecolabels in protecting environmental and human health. Some of this information can be collected by reading the standard; other aspects need to be collected via assessment tools and/or interviews.

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

3(a) Non-duplication

There has been no other effort to systematically collect such comprehensive information about standards and ecolabels. Additionally, where public sources of data are available, they will be consulted in lieu of asking respondents to do so.

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

EPA provided a 60-day public notice and comment period that ended on May 18, 2015 (80 FR 14372, March 19, 2015). EPA received comments from nine respondents during the comment period. The respondents were: Business and Institutional Furniture Manufacturers Association (BIFMA); Forest Stewardship Council US; Forest Stewardship Council; NSF International; Sustainable Forestry Initiative, Inc.; SCS Global Services; TUV Rheinland; UL LLC; and World Wildlife Fund. Copies of the comments that EPA received are found in Docket ID Number EPA-HQ-OPPT-2014-0838. A copy of EPA's response to the comments is included as Attachment 7.

3(c) Consultations

In 2011 and 2012, EPA and the General Services Administration (GSA) convened several listening sessions to solicit input regarding the Federal Government's role in sustainability. A number of sessions were held following the release of the National Academy of Sciences report "Sustainability and the U.S. EPA." Other sessions were held under the auspices of the Interagency Workgroup established by GSA per section 13 of Executive Order 13514.

EPA heard some common themes from suppliers, manufacturers, environmental organizations, multi-stakeholder bodies, regulatory partners, standards development organizations, ecolabel programs, and others. Key points included: (1) The desire for greater clarity in the marketplace regarding standards and ecolabels and (2) the opportunity to leverage the Federal Government's purchasing power toward sustainability goals.

The Interagency Workgroup developed an initial set of draft Guidelines and contracted with Big Room Inc. (developers of *www.EcoLabelIndex.com*) to test the feasibility and appropriateness of the draft Guidelines. Big Room Inc. conducted a survey of a subset of government and non-governmental (less than nine) environmental performance standards and ecolabel developers. Based on the results of the study and external stakeholder input, EPA revised the draft Guidelines and released them for public comment in November 2013.

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 submitted questions to nine parties via e-mail. The individuals contacted were:

Mark Rossolo, UL	mark.rossolo@ul.com
Jessica Evans, NSF	jevans@nsf.org
Mark Petruzzi, Green Seal	mpetruzzi@greenseal.org
Brad Miller, BIFMA	bmiller@bifma.org
Dean Thompson, Resilient Floor Coverings	dean.thompson@rfci.com
Bridgett Luther, Cradle to Cradle	bridgett@c2certified.org
Robert Frisbee, Green Electronics Council	rfrisbee@greenelectronicscouncil.org
Steve Mawn, ASTM	smawn@astm.org
Anne Calas, ANSI	acaldas@ansi.org

EPA received one response to its solicitation for consultations. Copies of EPA's consultation e-mail to the above potential respondents, and of the response that EPA received, are included in Attachment 8.

3(d) Effects of Less Frequent Collection

This pilot effort will inform the frequency of information collection appropriate for Federal procurement needs. It is likely that the frequency of information collection will be dependent upon 1) future business models for collection (e.g., if there is a greater reliance on the private sector's conformity assessment infrastructure versus federal sponsorship/funding of assessments), 2) the speed of market transformation toward sustainability in particular sectors, and 3) changes in standards and ecolabel trends in particular sectors.

3(e) General Guidelines

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

3(f) Confidentiality

It is not expected that any information collected in this ICR will involve confidential business or trade secret information.

3(g) Sensitive Questions

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

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

4(a) Respondents/NAICS Codes

Respondents will be standards development organizations, ecolabel programs, and certification entities that have product environmental performance standards and/or ecolabels that (1) cover one or more of the three (3) identified product categories; and (2) could be considered for use in United States federal procurement per Executive Order 13693, FAR 23.103, and U.S. government standards policy, as a part of the pilot project.

EPA has chosen the following three (3) purchase categories to pilot in 2015 – furniture, building flooring, and building paints/coatings. An additional to-be-determined sector may be piloted, depending upon available resources and other considerations.

NAICS codes:

Furniture, for example:

- 337122 Nonupholstered Wood Household Furniture Manufacturing
- 337121 Upholstered Household Furniture Manufacturing
- 337124 Metal Household Furniture Manufacturing
- 337211 Wood Office Furniture Manufacturing
- 337214 Office Furniture (except Wood) Manufacturing
- 337127 Institutional Furniture Manufacturing

Flooring, for example:

- 314110 Carpet and Rug Mills
- 238330 Flooring Contractors
- 321918 Other Millwork (including Flooring)
- 326199 All Other Plastics Product Manufacturing
- 327120 Clay Building Material and Refractories Manufacturing

Paints/Coatings, for example:

- 325510 Paint and Coating Manufacturing

These sectors were chosen because they meet some or all of the following criteria:

- o Potentially significant environmental and/or human health impact (based on lifecycle assessments and hazard and risk assessments)
- o Opportunity for environmental and/or human health improvement through private sector standards/ecolabels;
- o Significant volume of federal purchases; and

- o Current federal sustainable acquisition mandates in the category are limited, out-of-date, and/or could be augmented with private sector standards.

4(b) Information Requested

Respondents will:

- Self-assess per product-category specific checklists based on EPA's draft Guidelines for Product Environmental Performance Standards and Ecolabels, and
- Participate in a follow-up interview(s), as necessary, with an Independent Assessment Entity.

5. THE INFORMATION COLLECTED—AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT

This section provides information on the Agency activities that correspond with each piece of information collected, data management, small business burden, and collection schedules.

5(a) Agency Activities

EPA will be contracting with an entity (or entities) to convene the multi-stakeholder panels charged with developing the checklists by which standards and ecolabels will be independently assessed. EPA subject matter experts will participate in the multi-stakeholder panels (one per panel), which will follow consensus decision-making approaches.

5(b) Collection Methodology and Management

An independent assessment entity, Industrial Economics, has been subcontracted by EPA's contractor, Resolve, to manage the information collection per internationally recognized conformity assessment protocols (e.g., ISO, ANSI).

5(c) Small Entity Flexibility

It is expected that some of the participants in the pilot effort will be small standards development and ecolabel program entities. The pilot shall be designed to minimize respondent burden while obtaining sufficient and accurate information. In addition, given the voluntary nature of the collection, it is expected that respondents will participate only if the benefits of participation (greater access to the federal marketplace) outweigh the information collection burden.

5(d) Collection Schedule

Collection of information for the pilot program is anticipated to be completed by the end of 2016. The need for and timing of future collection of information will be determined, in consultation with other federal agencies and the public, following the pilot.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

6(a) Estimating Respondent Burden and Cost

Table 1 presents the estimated respondent burden hours and costs associated with the information collection activities under this ICR. EPA based its burden estimates on a survey of a subset of government and non-governmental (less than 9) environmental performance standards and ecolabel developers. The survey respondents were contacted for an interview following the survey and were asked how long it had taken them to complete the survey. Two respondents took as little as 30 minutes to complete the survey, seven respondents took 2-6 hours, two respondents took 16 hours, and one respondent (who covered three different ecolabels in its responses) took 50-60 hours. The average time spent per ecolabel on completing the survey was 8.5 hours.

The average burden is estimated to be 8.5 hours per response. This estimate is based on the length of time needed to complete an assessment. Only standard development organizations and ecolabels who volunteer for assessment will be included in the pilot program. For each of the four product categories, EPA expects 5 respondents to volunteer to complete the assessment. Each respondent is expected to provide up to 2 responses. For the four product categories, there is an estimated total burden of 340 hours.

In order to estimate total respondent cost associated with this ICR, wages for managerial and professional/technical labor were taken from the Bureau of Labor Statistics (BLS) *Employer Costs for Employee Compensation* (ECEC) data, for December 2013, for manufacturing industries. The cost of fringe benefits such as paid leave and insurance, specific to each labor category, are taken from the same ECEC series. Fringe benefits as a percent of wages are calculated separately for each labor category. For example, for December 2013, the average wage rate for professional/technical labor was \$39.70, the average fringe benefit was \$21.14. Fringe benefits as a percent of wages were $\$21.14/\39.70 , or approximately 53.3 percent.

An additional loading factor of 17 percent is applied to wages to account for overhead. This approach is used for consistency with Office of Pollution Prevention and Toxics economic analyses for two major rulemakings: *Wage Rates for Economic Analyses of the Toxics Release Inventory Program* (2002), and the *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report* (2002). This overhead loading factor is added to the benefits loading factor, and the total is then applied to the base wage to derive the fully loaded wage. For example, the December 2013 fully loaded wage for professional/technical labor is $\$39.70 \times (1 + 0.532494 + 0.17) = \67.59 .

The average cost per response is \$617.78. This cost is calculated by dividing the average burden of 8.5 hours per response by 4.25 hours of managerial labor and 4.25 hours of professional/technical labor.

Table 1. Estimated Burden and Cost to Respondents

Product Categories	Number of Respondents	Response per respondent	Total Burden and Wage Rate by Labor Category				Total Burden (Hours)	Total Cost (\$)¹
			Managerial		Technical			
			Hours	Wage (\$)	Hours	Wage (\$)		
Furniture	5	2	4.25	\$77.77	4.25	\$67.59	85	\$6,177.80
Building Flooring	5	2	4.25	\$77.77	4.25	\$67.59	85	\$6,177.80
Building Paints/Coatings	5	2	4.25	\$77.77	4.25	\$67.59	85	\$6,177.80
Other Category	5	2	4.25	\$77.77	4.25	\$67.59	85	\$6,177.80
Total	20	--	--	--	--	--	340	\$24,711.20

¹Total Cost is calculated by multiplying burden hours by the wage rate for each labor category and summing across labor categories, and then multiplying by total number of responses.

6(b) Estimating Agency Burden and Cost

Table 2 presents the estimated Agency burden hours and costs associated with the information collection activities under this ICR. EPA based its burden estimates on previous Agency efforts in convening multi-stakeholder groups and developing environmentally preferable purchasing guidance. In addition, EPA's contractor statement of work for this effort has been negotiated and awarded at this level of effort.

Agency wage rate data used to calculate labor costs were gathered from the U.S. Office of Personnel Management Salary Table 2013-DCB, for a GS-14, step 5, employee in the Washington, D.C. area. A loading factor of 1.6 was applied to the base rate to arrive at the 2013 loaded salary of \$190,781 per year. The hourly wage rate was computed by dividing the loaded wage by 2,080 hours, the hours associated with a full time employee. This loaded hourly wage rate of \$91.72 was used in calculations of Agency cost.

Table 2. Estimated Burden and Cost to Agency

Collection Activity	EPA Burden (Hours)	EPA Costs (\$)
Develop sector specific assessment tools/checklists based on draft guidelines	3,000	\$275,160
Issue assessment tool/checklist to applicant SDOs and ecolabel programs (respondents)	50	\$4,586
Follow up with respondents via phone interviews	250	\$22,930
Prepare analysis and report of the assessment results	400	\$36,688
Determine if/how to recognize conforming standards and ecolabels	300	\$27,516
Total	4,000	\$366,880

6(c) Bottom Line Burden Hours and Cost Tables

a. Respondent Tally

Table 3 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. However, the assessment tool and its respective results are only expected to be conducted once over the three-year period.

Table 3. Total Annual Estimated Respondent Burden and Cost Summary

Total Number of Respondents	Burden Hours	Annual Cost
20	340	\$24,711.20

b. Agency Tally

Table 4 summarizes the total annual estimated Agency burden and cost (including contractor cost). These estimates represent the average burden in any given year over the three years covered by this ICR. However, the assessment tool and its respective results are only expected to be conducted once over the three-year period.

Table 4. Total Annual Estimated Agency Burden and Cost Summary

Burden Hours	Annual Cost
4,000	\$366,880

6(d) Reasons for Change in Burden

Since this is a new ICR, a discussion of change in burden is not applicable.

6(e) Burden Statement

The annual public burden for this collection of information is estimated to be 8.5 hours per response. 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-2014-0838, which is available for online viewing at <http://www.regulations.gov>, or in-person viewing at the Pollution Prevention and Toxics Docket in the EPA Docket Center (EPA/DC). The EPA/DC Public Reading Room is located in the EPA West Building, Room 3334, 1301 Constitution Ave., N.W., Washington, DC. The EPA/DC 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 EPA/DC Public Reading Room is (202) 566-1744, and the telephone number for the Pollution Prevention and Toxics 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. Comments may be submitted to EPA electronically through <http://www.regulations.gov> or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave., NW, Washington, DC 20460. You can also send comments to OMB, addressed to "OMB Desk Officer for EPA" and referencing OMB Control No. **2070-NEW** (EPA ICR No. 2511.01) via email to oira_submission@omb.eop.gov. Include docket ID No. EPA-HQ-OPPT-2014-0838 and OMB control number **2070-NEW** (EPA ICR No. 2516.01) in any correspondence.

7. 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-2014-0838. The attachments are available for online viewing at <http://www.regulations.gov> or otherwise accessed as described in section 6(e) of the supporting statement.

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Attachment 1: Pollution Prevention Act, 42 U.S.C. 13101 *et seq.*

Attachment 2: National Technology Transfer and Advancement Act of 1995, 15 U.S.C. 3701 *et seq.*

Attachment 3: **Federal Register** Notice, November 27, 2013, "Draft Guidelines for Product Environmental Performance Standards and Ecolabels for Voluntary Use in Federal Procurement" (78 FR 70938)

- Attachment 4:** **Federal Register** Notice, February 27, 2014, “Draft Guidelines for Product Environmental Performance Standards and Ecolabels for Voluntary Use in Federal Procurement” (79 FR 11102)
- Attachment 5:** Final Pilot Assessment Criteria
- Attachment 6:** Information Collection Instrument
- Attachment 7:** Copies of Public Comments and EPA’s Response to Comments
- Attachment 8:** Copy of EPA’s Consultation E-mail to Potential Respondents and Copy of Response that EPA Received