

**SUPPORTING STATEMENT – INFORMATION COLLECTION REQUEST (ICR)**  
**Cross-State Air Pollution Rule Update for the 2008 Ozone National Ambient Air Quality Standards (Proposed Rule)**

**1.0 Identification of the Information Collection**

**1.1 Title of the Information Collection**

Cross-State Air Pollution Rule Update for the 2008 Ozone National Ambient Air Quality Standards, ICR Number 2391.04, OMB Control Number 2060-0667.

**1.2 Short Characterization/Abstract**

The United States Environmental Protection Agency (EPA) is proposing to revise certain provisions of the Cross-State Air Pollution Rule (CSAPR). The proposed revisions would alter the universe of electricity generating units (EGUs) covered by the CSAPR NO<sub>x</sub> Ozone Season Trading Program but would not alter any reporting requirements faced by an individual unit covered by the program. This information collection request (ICR) addresses changes in information collection under CSAPR associated with the proposed changes in the universe of units subject to the CSAPR NO<sub>x</sub> Ozone Season Trading Program.

EPA issued CSAPR<sup>1</sup> in July 2011 to address Clean Air Act (CAA) requirements concerning interstate transport of air pollution with respect to the 1997 ozone national ambient air quality standards (NAAQS) and the 1997 and 2006 fine particulate matter NAAQS. As amended in later rulemakings, CSAPR requires 28 states to limit their state-wide emissions of nitrogen oxides (NO<sub>x</sub>) and/or sulfur dioxide (SO<sub>2</sub>) beginning in 2015, and in some cases to limit emissions further beginning in 2017, in order to reduce or eliminate the states' unlawful contributions to ozone and fine particulate matter pollution in other states. The emissions limitations are defined in terms of maximum state-wide "budgets" for emissions of ozone season<sup>2</sup> NO<sub>x</sub>, annual NO<sub>x</sub>, and/or annual SO<sub>2</sub> by each state's EGUs. As the mechanism for achieving compliance with the emissions limitations, CSAPR requires the affected units in each affected state to participate in one or more emissions trading programs. Under each trading program, an affected unit is required to report its emissions and to surrender emission allowances sufficient to cover those emissions, and the total quantities of allowances issued to the affected units in each state are limited to the amounts in the state-wide emissions budgets.

Implementation of CSAPR began in January 2015 following the U.S. Supreme Court's reversal of a 2012 decision by the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) vacating the rule.<sup>3</sup> In July 2015, the D.C. Circuit issued a second decision on CSAPR largely upholding the rule against remaining challenges but remanding certain state budgets to EPA for reconsideration, including 11 states' NO<sub>x</sub> Ozone Season trading budgets for

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<sup>1</sup> Federal Implementation Plans; Interstate Transport of Fine Particulate Matter and Ozone and Correction of SIP Approvals, 76 FR 48208 (August 8, 2011).

<sup>2</sup> For purposes of CSAPR, the "ozone season" includes the months of May through September.

<sup>3</sup> *EPA v. EME Homer City Generation, L.P.*, 134 S. Ct. 1584 (2014), *rev'g EME Homer City Generation, L.P. v. EPA*, 696 F.3d 7 (D.C. Cir. 2012).

2017 and subsequent years.<sup>4</sup> At the time of the D.C. Circuit's second CSAPR decision, EPA had already commenced analysis of states' potential obligations related to interstate transport under the 2008 ozone NAAQS. This proposed rulemaking would both respond to the D.C. Circuit's remand of NO<sub>x</sub> Ozone Season trading budgets established with respect to the 1997 ozone season NAAQS for certain states and also address obligations with respect to the 2008 ozone NAAQS for a larger group of states. Specifically, the proposal would establish new or revised NO<sub>x</sub> Ozone Season trading budgets for 23 states determined to have obligations related to interstate transport under the 2008 ozone NAAQS and eliminate budgets for two states subject to the remand and determined not to have such obligations. Units in states with new or revised budgets (as well as units in one other state with an existing budget that was not remanded) would be required to participate in the CSAPR NO<sub>x</sub> Ozone Season Trading Program, while units in states whose budgets are eliminated would no longer be required to participate in the program.<sup>5</sup> (EPA notes that in the final rule, the specific states for which budgets are added or eliminated, and therefore the specific units that would be added to or removed from the universe of units participating in the CSAPR NO<sub>x</sub> Ozone Season Trading Program, may change.)

All of the units that would be added to or removed from the universe of units subject to the information collection requirements of the CSAPR NO<sub>x</sub> Ozone Season Trading Program under this proposed rule are already subject either to those requirements or to overlapping information collection requirements under the CSAPR NO<sub>x</sub> Annual Trading Program (or both). Most of these units also are already subject to related information collection requirements under the Acid Rain Program (ARP) established under Title IV of the 1990 CAA Amendments. Both CSAPR and the ARP have existing approved ICRs: EPA ICR Number 2391.03/OMB Control Number 2060-0667 (CSAPR), and EPA ICR Number 1633.16/OMB Control Number 2060-0258 (ARP). EPA has coordinated the information collection requirements under the ARP and CSAPR, and the information collection burden and costs covered under the CSAPR ICR are estimated as incremental to the information collection burden and costs under the ARP ICR. The net reductions in information collection burden and costs under this rule are estimated as incremental to the information collection burden and costs under the CSAPR ICR. Most of the information used to estimate burden and costs in this ICR was developed for the existing CSAPR and ARP ICRs. EPA intends to incorporate the changes in information collection burden and costs quantified in this ICR into the next renewal of the CSAPR ICR.

EPA has published a Notice of Proposed Rulemaking in the Federal Register that details all proposed changes resulting from the rule, including the proposed changes in the set of units that would face emission reduction requirements in order to address interstate transport obligations related to ozone. As relevant here, the proposed rule would establish new obligations to address interstate ozone transport for Kansas and would discontinue obligations to address interstate ozone transport for Florida and South Carolina, in all cases starting in 2017. Consequently, Kansas units would become subject to the information collection requirements of the CSAPR NO<sub>x</sub> Ozone Season Trading Program starting in 2017, while Florida and South Carolina units would cease to be subject to those requirements in 2017. Information collection

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<sup>4</sup> *EME Homer City Generation, L.P. v. EPA*, 795 F.3d 118 (D.C. Cir. 2015).

<sup>5</sup> The proposed rule would not amend the information collection requirements applicable to any unit participating in the CSAPR NO<sub>x</sub> Ozone Season Trading Program. The proposed rule would amend certain other provisions of the program.

requirements for units in other states affected by the proposed rule would not change because those units are already and would remain subject to the information collection requirements of the CSAPR NO<sub>x</sub> Ozone Season Trading Program, and the proposal does not alter the information collection requirements for any individual affected unit subject to the program. This ICR therefore focuses exclusively on changes in information collection burden and costs for units in Kansas, Florida, and South Carolina, which are summarized below.

With respect to affected units in Kansas and South Carolina that under this proposed rule would begin or end participation in the CSAPR NO<sub>x</sub> Ozone Season Trading Program, respectively, all of these units also already are and would remain covered by the CSAPR NO<sub>x</sub> Annual Trading Program. The information collection requirements under the CSAPR NO<sub>x</sub> Ozone Season Trading Program are almost entirely a subset of the information collection requirements under the CSAPR NO<sub>x</sub> Annual Trading Program, with the only exceptions being requirements to compute and report a small number of additional subtotals from the same hourly data. The modest one-time actions necessary for a unit that already reports annual data to add or remove computation and reporting of the additional subtotals are encompassed within the scope of the information collection burden and costs already covered under the existing CSAPR ICR. EPA therefore considers this proposed rule to entail no change in information collection burden or costs for these units.

With respect to affected units in Florida that under this proposed rule would end participation in the CSAPR NO<sub>x</sub> Ozone Season Trading Program, these units would no longer be required to report NO<sub>x</sub> mass emissions under any CSAPR program but a majority would continue to be subject to the ARP. EPA estimates that ARP-affected Florida units would experience no change in information collection burden and costs as a result of this rule because information collection activities essentially the same as those formerly required under CSAPR would still be required to fulfill ARP-related monitoring and reporting obligations. However, the subset of affected Florida units not subject to the ARP would experience a reduction in information collection burden and costs. These units would no longer be subject to monitoring and reporting requirements under 40 CFR part 75 for either CSAPR or the ARP and would therefore be able to discontinue monitoring and recording of hourly NO<sub>x</sub> emissions and heat input data, including maintenance and quality assurance activities for the required monitoring equipment (to the extent the activities are not required to meet other obligations).<sup>6</sup> The magnitude of the reductions in information collection burden and costs for a non-ARP-affected Florida unit resulting from this rule would vary depending on which of the monitoring methodologies available under 40 CFR part 75 the unit currently employs.

As noted above, the reductions in information collection burden and costs under this proposed rule are estimated as incremental to the information burden and costs under the existing CSAPR ICR. To provide context, this ICR describes the full set of information collection activities covered under the existing CSAPR ICR, noting instances where burden and costs would change as a result of this proposed rule. Most of these activities relate to monitoring, recordkeeping, and reporting of hourly emissions. CSAPR-affected units are required to: (1) submit a monitoring plan and certification reports for each monitoring system, (2) monitor and

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<sup>6</sup> Because Florida was not covered by the NO<sub>x</sub> SIP Call, Florida EGUs have never been subject to part 75 monitoring and reporting obligations arising from any SIP submitted under that rule. See 40 CFR 51.121.

record hourly emissions and operations data, and (3) submit quarterly reports of their emissions and operating data to EPA. All sources affected by CSAPR are required to monitor and report NO<sub>x</sub> and/or SO<sub>2</sub> emissions in accordance with 40 CFR part 75. Sources with monitors already certified under 40 CFR part 75 may be exempt from initial certification requirements.

Like the ARP, CSAPR employs emission trading programs as a mechanism to reduce the overall costs of reducing emissions. In addition to the emission monitoring, recordkeeping, and reporting requirements just described, trading programs require other tasks that involve an information collection burden for permitting authorities, sources, and EPA. These tasks include: (1) permitting and other certification, (2) transfer and tracking of allowances; and (3) determination of annual year-end compliance. Emission allowance market participants using the CAMD Business System (CBS) to transfer allowances are required either to complete and submit an allowance transfer form for each allowance transfer or to perform the transfer on-line. CBS users that are not covered sources, such as allowance brokers, fuel suppliers, and environmental groups, are also required to file a onetime account information application to establish accounts in CBS.

CSAPR regulates sources directly through federal implementation plans (FIPs) and does not impose any reporting obligations on non-industry entities. States have the option to replace provisions of the CSAPR trading programs applicable to the units in their states in whole or in part by submitting revisions to their state implementation plans (SIPs).

## **2.0 Need for and Use of the Collection**

### **2.1 Need/Authority for the Collection**

Emissions data in general are of vital importance to EPA for fulfilling a host of monitoring, standard-setting, rulemaking, reviewing, and reporting duties. CSAPR and its associated emissions data and other information collection requirements have been promulgated to implement CAA section 110(a)(2)(D), 42 U.S.C. 7410(a)(2)(D), often referred to as the Act's "good neighbor" provision, which requires states to prohibit certain emissions because of their impact on air quality outside their borders. As relevant here, the provision requires all states, within three years of promulgation of a new or revised NAAQS, to submit SIPs that prohibit certain emissions of air pollutants because of the impact they would have on air quality in other states. As described above, CSAPR as originally promulgated addressed certain states' good neighbor obligations with respect to the 1997 ozone NAAQS and the 1997 and 2006 fine particulate matter NAAQS, and this proposed rule addresses certain states' good neighbor obligations with respect to the 2008 ozone NAAQS. Prior to CSAPR, EPA issued two other rules also implementing the good neighbor provision: the 1998 NO<sub>x</sub> SIP Call and the 2005 Clean Air Interstate Rule (CAIR), which superseded the NO<sub>x</sub> SIP Call. CAIR was remanded by the D.C. Circuit and has now been replaced by CSAPR.

CAA section 110(c)(1), 42 U.S.C. 7410(c)(1), requires EPA to act in certain circumstances where SIP deficiencies exist. Specifically, section 110(c)(1) requires the Administrator to promulgate a FIP at any time within two years after the Administrator either (1) finds that a state has failed to make a required SIP submission; (2) finds that a SIP submission is incomplete; or (3) disapproves a SIP submission. The Administrator must promulgate a FIP in the above-described scenarios unless the state corrects the deficiency and the Administrator

approves the SIP revision before the Administrator promulgates the relevant FIP. In this action, among other things, EPA is promulgating FIPs for states where SIP deficiencies exist with respect to states' good neighbor obligations under the 2008 ozone NAAQS, and through those FIPs is requiring sources in the covered states to participate in the CSAPR NO<sub>x</sub> Ozone Season Trading Program as a mechanism to address the states' good neighbor obligations.

CAA section 301(a)(1), 42 U.S.C. 7601(a)(1), gives the EPA Administrator general authority to prescribe such regulations as are necessary to carry out her functions under the Act. Pursuant to this section, EPA has the authority to include provisions in the CSAPR trading program regulations that are necessary to ensure that the programs are able to accomplish their authorized objectives, including information collection requirements.

## **2.2 Practical Utility/Users of the Data**

Permit applications are used by states and EPA to issue operating and construction permits. A permit application is legally binding on the owners, operators, and designated representative of a source until the permit is issued. Affected sources rely on the permit for information regarding the applicable requirements with which they must comply. Because permit applications and permits are public documents, they may be used by the public to examine activities undertaken by affected sources.

Certificates of representation are used by EPA to ensure that emissions- and allowance-related submissions by sources are authorized and to facilitate enforcement of program requirements.

Accurate emissions data obtained through monitoring and reporting under 40 CFR part 75 are indispensable to successful fulfillment of states' obligations under the CAA's good neighbor provision as implemented through the CSAPR trading programs, for two reasons:

- Accurate emissions data are essential to enable EPA and states to assess the impact of the trading programs in reducing NO<sub>x</sub> and SO<sub>2</sub> emissions, and therefore to assist states in meeting the ozone and fine particulate matter NAAQS. By reducing levels of NO<sub>x</sub> and SO<sub>2</sub> emissions, the CSAPR trading programs reduce the adverse effects of the transport of ozone, ozone precursors, and fine particles from upwind states.
- EPA enforces the CSAPR trading programs (in part) by comparing emissions data measured, recorded, and reported under 40 CFR part 75 by affected sources with the numbers of allowances held in the respective compliance accounts of such affected sources.

In addition to the uses described above under CSAPR, emissions data and related information for units, along with emissions data and related information for other types of sources, are routinely used by EPA's Office of Atmospheric Programs (OAP), Office of Air Quality Programs and Standards (OAQPS), and regional offices in carrying out a variety of activities. These activities support regulatory functions as well as functions that are more programmatic in nature such as trend analyses. Such projects include:

- Evaluation of existing control strategies, such as CSAPR, for states and larger areas;
- Evaluation of proposed control strategies for states and larger areas, including applications of regional scale models;

- Development of national control strategies and preparation of regulatory impact analyses (RIAs);
- Preparation and publication of national summaries of emissions, including trend analyses;
- Development and maintenance of a database to assist in the identification of important source categories for future regulation; and
- Preparation of the stationary source portion of a report to Congress on SO<sub>2</sub> emissions. This report is required by section 406 of the 1990 CAA Amendments, 104 Stat. 2632, and is due on a five-year cycle that began on January 1, 1995. The report must contain an inventory of national annual SO<sub>2</sub> emissions from industrial sources (as defined in CAA section 402, 42 U.S.C. 7651a).

EPA's Office of Research and Development (ORD) uses emissions data in determining priorities for control technology research and as a key data component in the application of regional scale models. EPA's regional offices use emissions data and other source parameters to support source inspections and in the analyses of the impact of new or modified sources within an area. EPA's Emission Inventory and Analysis group uses emissions data to assess and analyze trends in criteria pollutant emissions over time.

In addition to supporting projects and initiatives internal to EPA, OAP, OAQPS, and the regional offices respond to numerous requests for reports on emissions from sources. Most requests come from contractors and consultants involved in special studies; a smaller number come from the press, universities, and others involved in research.

The collection of emissions data specific to nonattainment areas for certain criteria air pollutants is necessary to comply with requirements specified in Title I of the CAA. States with nonattainment areas rely on current emissions information from point, nonpoint, and mobile sources to revise their SIPs and to plan for emission reductions mandated by the CAA. In addition, a state-wide inventory compiled at least every three years for all point, nonpoint, and mobile sources is considered to be a key tool to assist states in meeting CAA requirements that address emissions tracking, compliance issues, and mid-course adjustments. State-wide emission inventories can be used by states affected by pollution transport from upwind areas to develop more efficient control strategies to meet NAAQS. State-wide emission inventories that were developed by EPA (the National Emissions Inventory, or NEI) are being used by the Regional Planning Organizations (RPOs) as the starting point for the development of state-wide emission inventories used in the regional haze program to define control strategies.

Information collected on allowance transfers in the CAMD Business System (CBS) is used by EPA to track allowances for the purpose of determining compliance with the NO<sub>x</sub> and SO<sub>2</sub> trading programs. Information on allowance transfers is also used by participants in the allowance market and the public to evaluate the activities of affected sources, and by EPA for program evaluation.

Together, the permit applications, certificates of representation, emissions data, and allowance transfer information help to provide the accountability to allow the NO<sub>x</sub> and SO<sub>2</sub> trading programs to function without more stringent command and control approaches.

### **3.0 Nonduplication, Consultations, and Other Collection Criteria**

#### **3.1 Nonduplication**

Monitoring requirements, quality assurance activities, and data reporting requirements for units affected under the CSAPR NO<sub>x</sub> and SO<sub>2</sub> trading programs are set forth in 40 CFR part 75 and are integrated with the analogous requirements under 40 CFR part 75 for units affected under the ARP. In most cases, units subject to both the ARP and one or more of the CSAPR trading programs can comply with both programs using the same equipment subject to the same certification and quality assurance requirements. A single consolidated part 75 monitoring plan is required for each unit. Further, where applicable, a single consolidated quarterly electronic report of hourly emissions and heat input data is required.

CSAPR imposes no independent permitting requirements. Operating permit requirements for CSAPR-affected sources are integrated with other source operating permit requirements under Title V, and any construction permit requirements arise under construction permitting programs.

#### **3.2 Public Notice**

The preamble to the proposed rule was provided to the public with notice of and the opportunity to comment on this ICR.

#### **3.3 Consultations**

EPA has extensive experience with permitting requirements, emission reporting requirements, and administration of an allowance transfer and tracking system from implementation of the ARP, NO<sub>x</sub> SIP Call, CAIR, and CSAPR trading programs. This experience includes frequent interaction with affected sources and states. EPA has reflected lessons learned from program implementation and interactions with sources and states to refine the information collection requirements of each successive trading program, including the CSAPR trading programs.

EPA has also engaged in more structured consultation efforts. For example, during the development of CAIR, discussions were held with the National Association of Clean Air Agencies (NACAA) to clarify EPA's logic in developing the emissions reporting requirements contained within that rule. Likewise, in 2009, EPA held a series of workshops with stakeholders to identify potential options for addressing the D.C. Circuit's decision on CAIR.<sup>7</sup> EPA considered comments received during and following the workshops when developing CSAPR and its emission reporting requirements.

As part of updating the ARP ICR, EPA has contacted various affected parties to gather information on continuous emission monitoring system (CEMS) capital costs, CEMS operation and maintenance costs, fuel flowmeter capital costs, and CEMS/fuel flowmeter testing costs. That information has been used in the existing CSAPR ICR and in this ICR, as appropriate.

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<sup>7</sup> *North Carolina v. EPA*, 531 F.3d 896 (D.C. Cir), *modified on reh'g*, 550 F.3d 1176 (D.C. Cir. 2008).

Finally, as part of developing this ICR, EPA contacted vendors of data acquisition and handling systems (DAHS) used by units to collect and report emissions data under 40 CFR part 75. The vendors confirmed that a unit already reporting hourly NO<sub>x</sub> emissions and heat input data for compliance with an annual program can activate or deactivate the capability to compute and report additional subtotals of that hourly data for compliance with an ozone season program with a minimal update to the DAHS inputs, and that for the estimated 95% of units with DAHS software maintenance contracts, the update would entail zero incremental cost.

### **3.4 Effects of Less Frequent Collection**

Submittal of emissions and allowance transfer information on an annual basis (and/or on an ozone-season basis, as applicable) provides the data necessary to determine whether state budgets have been exceeded. If this information collection were not carried out at least as frequently as annually, EPA would not be able to verify that emission reductions necessary to meet each state's NO<sub>x</sub> and SO<sub>2</sub> emission budgets were being achieved. Because the NO<sub>x</sub> and SO<sub>2</sub> budgets prescribed have been deemed essential in order to aid downwind states in attaining the NAAQS in a timely manner, data collected less frequently would be of little or no use.

Quarterly collection of emissions data allows for frequent checking of reported data for errors and provides rapid feedback to industry of needed adjustments to data collection systems, thereby promoting more accurate and reliable emissions data. Also, existing federal and state emission monitoring programs often require quarterly, or in some cases, monthly reporting. Collection less frequently than quarterly would increase the amount of preparation and review time at the end of the reporting period both for regulated sources and for EPA, and would slow down the process of compliance determination.

### **3.5 General Guidelines**

This ICR does not violate any of OMB's guidelines for information collections.

### **3.6 Confidentiality**

As required by CAA section 114, estimates or measurements of emissions submitted to EPA under the CSAPR trading programs and this proposed rule must be treated as non-confidential. Under Agency procedures, certain data items relating to the computation of emissions may be identified as sensitive by a state and are then treated as "state-sensitive" by EPA. The potentially state-sensitive items include the following: process rate, boiler design capacity, emission estimation codes, percent space heat, operating rate, and maximum operation rate/hour. Where federal and state requirements are inconsistent, the appropriate EPA regional office should be consulted.



### **3.7 Sensitive Questions**

This information collection does not ask any questions concerning sexual behavior or attitudes, religious beliefs, or other matters usually considered private.

## **4.0 The Respondents and the Information Requested**

### **4.1 Respondents/NAICS Codes**

CSAPR generally applies to stationary fossil fuel-fired boilers and combustion turbines serving at any time on or after January 1, 2005 a generator with nameplate capacity greater than 25 megawatts producing electricity for sale. Under the North American Industry Classification System (NAICS), entities meeting these criteria are generally classified as code 221112, fossil fuel electric power generation, but some units classified under other NAICS codes may also meet these criteria. Cogeneration units and solid waste incineration units otherwise meeting these criteria may qualify for an exemption from CSAPR if they meet certain additional criteria.

As noted above, CSAPR regulates sources directly through FIPs and does not impose any reporting obligations on non-industry entities. However, states have options to replace the CSAPR trading program provisions applicable to their sources in whole or in part by submitting SIP revisions, including limited SIP revisions that would change only how CSAPR emission allowances are allocated among the state's affected sources. The CSAPR ICR estimates a burden for all states with CSAPR-affected sources to submit limited SIP revisions for that purpose. This proposed rule would reduce the number of states with such SIP revision options by only one state. This proposed rule also does not change any information collection requirements for any individual unit subject to a CSAPR trading program, and an estimate of burden for state and local permitting agencies to review the information collection requirements of CSAPR is already reflected in the CSAPR ICR. EPA believes this proposed rule creates no material change in information collection burden and costs for state and local permitting authorities relative to the burden and costs for these entities reflected in the existing CSAPR ICR and therefore does not consider these entities to be respondents for purposes of this ICR.

### **4.2 Information Requested**

CSAPR requires units to monitor and report emissions and heat input data under 40 CFR part 75. Most of the emission reporting requirements under 40 CFR part 75 were established under the ARP and as subsequently modified are generally covered under the current ARP ICR for units subject to that program. The NO<sub>x</sub> SIP Call established additional obligations related to reporting of NO<sub>x</sub> mass emissions which were incorporated first into CAIR and then into CSAPR. As subsequently modified, these requirements are covered under the current CSAPR ICR. With respect to units not subject to the ARP, the CSAPR ICR also covers requirements that for ARP-affected units are covered by the ARP ICR.

This section generally describes the data items requested from affected sources for the collections covered under the CSAPR ICR and defines the activities in which respondents must engage to assemble, submit, or store these data items. EPA notes that this proposed rule does not

change any of the information requested from any individual unit subject to any of the CSAPR trading programs, but would change the universe of units subject to these requirements.

(i) Data Items, Including Recordkeeping Requirements

(a) Permitting and Other Certification

CSAPR establishes no independent permitting requirements. A CSAPR-affected unit must revise its operating permit issued under Title V of the Act to incorporate CSAPR-related applicable requirements in accordance with the provisions of Title V. Title V permit applications must be kept for five years pursuant to Title V recordkeeping requirements.

A unit that needs to add emissions monitoring equipment because of CSAPR's monitoring and reporting requirements (and not because of any other monitoring and reporting requirements) may need to obtain a construction permit to install the required equipment.

For each affected source and each affected unit at the source, the designated representative must submit a certificate of representation. Under 40 CFR §§ 97.416, 97.516, 97.616, and 97.716, a complete certificate of representation includes:

- Identification of the source and unit;
- Dates on which the unit commenced commercial operation;
- Name and contact information for the CSAPR designated representative and alternate (if applicable);
- A list of the owners and operators of each unit; and
- A certification statement and signature of the CSAPR designated representative and alternate (if applicable).

Certification applications are to be kept for a period of five years pursuant to the general requirements imposed for Title V permitted sources.

(b) Monitoring and Reporting

CSAPR-affected sources are required to monitor, record, and report NO<sub>x</sub> and/or SO<sub>2</sub> mass emissions data and heat input data following the requirements of 40 CFR part 75. The emissions monitoring requirements specify that affected sources must (1) submit a monitoring plan for each affected unit at a source, (2) submit data for certification of each monitor, (3) record hourly operational, pollutant monitor, and/or flow monitor data for each affected unit (with specific requirements dependent on the particular monitoring methodology used), and (4) submit quarterly reports of emissions data and heat input data to EPA.

Respondents are required under 40 CFR 75.64 to submit the quarterly NO<sub>x</sub> and SO<sub>2</sub> mass emissions data via direct electronic submission to EPA. Such data must include a certification statement by the source's designated representative attesting to the accuracy, truthfulness, and completeness of the submission. Generally, all monitoring records are required to be kept for three years.

(c) Allowance Transfer

Sources and other trading program participants must submit allowance transfer, allowance deduction, and compliance assurance information, as necessary.

(ii) Respondent Activities

With respect to permitting and other certification, industry respondents must include CSAPR-related applicable requirements in a Title V operating permit revision application. Although there is some possibility that a non-Title V source could be affected under CSAPR, all CSAPR-affected sources are assumed to be Title V sources for purposes of this ICR. It is assumed the permit revision application and all other monitoring, reporting, or recordkeeping requirements associated with Title V permitting are part of baseline Title V requirements. Respondents may also be required to submit construction permit applications if new emissions monitoring equipment is required and installation of the equipment requires a construction permit. Finally, respondents must submit an initial certificate of representation for each source with affected units and must submit a new certificate of representation whenever the designated representative changes.

The primary tasks that must be performed by industry respondents to meet CSAPR's emissions monitoring and reporting requirements are: (1) completing and updating monitoring plans for each affected source and each affected unit at a source; (2) conducting tests to certify monitors and submitting test results to EPA; (3) recording hourly emissions data (this activity is generally performed electronically); (4) performing operation and maintenance activities associated with monitoring, including quality assurance activities; (5) assuring data quality, preparing quarterly reports of emissions data, and submitting these reports to EPA; and (6) responding to error messages generated by such submissions. In addition, respondents will have to purchase the necessary monitoring hardware and electronic data reporting software (or software upgrades). For respondents that are also subject to the ARP, most of the burden associated with these activities is included in the ARP ICR.

Industry respondent tasks to meet CSAPR's allowance transfer and tracking requirements include periodic submission of allowance transfer, allowance deduction, and compliance assurance information. State respondents that elect to provide allowance allocations must prepare and submit those allocations to EPA.

## **5.0 The Information Collected – Agency Activities, Collection Methods, and Information Management**

### **5.1 Agency Activities**

EPA activities associated with CSAPR information collection requirements include:

- Reviewing permit applications;
- Reviewing and processing certificates of representation;
- Reviewing monitoring plans and monitoring system certification applications;
- Receiving, reviewing, and storing the emissions and heat input data submitted by each affected source;
- Processing and updating the data submitted by sources, including performing quality assurance of data and coordinating efforts to resolve errors and anomalies;
- Maintaining and administering the allowance transfer and tracking system;

- Allocating allowances to affected units and recording allocations;
- Calculating and reviewing annual emissions from affected sources, and aggregating such annual emissions for compliance assurance purposes,
- Reviewing total annual emissions data submitted to track each state's progress toward meeting its budgets and creating a summary report of emissions; and
- Fulfilling information requests.

## **5.2 Collection Methodology and Management**

To ensure consistency and to expedite data entry, EPA requires that standard data formats under 40 CFR part 75 be used to submit the information collected for CSAPR.

Several computer systems and associated databases have been developed to (1) record quarterly emissions monitoring data, (2) track allowance transfer activity, and (3) calculate the number of allowances to be deducted each year. These systems and databases are designed to provide easy access to information for use by the Agency, states, regulated community, and general public. For example, EPA also uses these systems to help answer respondent questions and to conduct audits of data submissions.

EPA has also established a Clean Air Markets website that includes detailed information collected from emissions reports. Those without access to the internet may use the Clean Air Markets Hotline to request information, including summary reports.

## **5.3 Small Entity Flexibility**

CSAPR allows use of the range of emissions monitoring and reporting options provided under 40 CFR part 75. Units combusting coal generally must use CEMS for NO<sub>x</sub>, SO<sub>2</sub>, and heat input that include equipment to continuously monitor flue gas flow and flue gas concentrations of NO<sub>x</sub>, SO<sub>2</sub>, and either oxygen (O<sub>2</sub>) or carbon dioxide (CO<sub>2</sub>). Under options described in appendix D to part 75, units combusting exclusively natural gas and fuel oil may monitor fuel flow instead of flue gas flow and (where SO<sub>2</sub> reporting is required) may perform fuel sulfur sampling instead of continuous SO<sub>2</sub> concentration monitoring. In addition, under options described in appendix E to part 75, natural gas- and oil-fired units that qualify as peaking units may perform periodic NO<sub>x</sub> emission rate testing instead of continuous NO<sub>x</sub> and O<sub>2</sub> or CO<sub>2</sub> concentration monitoring.

Further, many natural gas- and oil-fired peaking units qualify as low mass emissions (LME) units under 40 CFR 75.19. To qualify as an LME unit, a unit must emit no more than 50 tons of NO<sub>x</sub> during the May-September ozone season, 100 tons of NO<sub>x</sub> annually, and 25 tons of SO<sub>2</sub> annually, and must annually calculate no more than these amounts based on specified procedures for calculating and reporting emissions. LME units are exempted from certain requirements to install and operate monitoring equipment, conduct fuel sampling, and perform quality assurance or quality control tests. Moreover, emissions reporting requirements are significantly simplified for these units.

As discussed in the Regulatory Impact Analysis for the final ARP regulations (October 19, 1992), smaller utilities are more likely to be dependent on natural gas- and oil-fired units, especially very small utilities.

#### **5.4 Collection Schedule**

Collection frequency under CSAPR is quarterly. All affected units must use the Emission Collection and Monitoring Plan System (ECMPS) to submit monitoring plan, quality assurance, certification test, and emissions data to EPA quarterly. In addition, CSAPR requires the collection of allowance tracking information as transfers are submitted, as well as information regarding other "event" submissions made on a one-time or annual basis.

### **6.0 Estimating the Burden and Cost of the Collection**

#### **6.1 Estimating Respondent Burden**

This section discusses EPA's estimates of the paperwork burden and cost associated with the categories of activities described above: permitting and other certification; emissions monitoring, recordkeeping, and reporting; and allowance transfer activities. To estimate the burden and/or cost of each requirement, EPA has utilized prior estimates of the costs of activities, estimates provided by affected utilities in comments to the Agency, and/or estimates based on the Agency's experience in implementing existing trading programs.

##### **(i) Respondent Permitting and Other Certification Activities**

Some existing sources affected by CSAPR may have been required to construct and therefore obtain construction permits for additional equipment that was not required for ARP compliance. In the existing CSAPR ICR, the Agency estimates that applying for a construction permit takes 20 hours of managerial and 20 hours of technician time, per permit. With respect to this proposed rule, all existing sources whose coverage under the CSAPR NO<sub>x</sub> Ozone Season Trading Program changes would have already been subject to at least one CSAPR NO<sub>x</sub> trading program and would have already been required to construct whatever new equipment was necessary, with the consequence that this proposed rule would cause no changes in the number of required construction permits. EPA assumes that new CSAPR-affected sources generally would also be affected under the ARP and that any burden associated with construction permits required by those sources would therefore be encompassed within the information collection burden and costs under the existing ARP ICR.

Under CSAPR, the designated representative for each affected source must submit a certificate of representation to EPA. Because most existing CSAPR-affected sources are already subject to the ARP, the Agency believes that the DRs for most CSAPR-affected sources only need to revise their existing certificates of representation, and that such revisions are routine. In the existing CSAPR ICR, the Agency therefore estimates that, on a per unit basis, about one half hour of managerial time and one half hour of technical time will be required to revise the certificate of representation. For purposes of this proposed rule, EPA estimates that changes in certificates of representation for affected units that are becoming subject to one more or one fewer CSAPR trading program are encompassed within the scope of the information collection burden and costs under the existing CSAPR ICR.

(ii) Agency and State Activities Relating to Permitting and Other Certification.

Agency permitting activities (including activities of permitting authorities) include receiving and processing certificates of representation, permit applications, and retired unit exemptions. In the existing CSAPR ICR, the Agency estimates that these activities will require 2,926 hours per year. EPA estimates that the proposed rule will not cause any material change in these activities.

The existing CSAPR ICR also includes a one-time allocation of burden for staff at permitting authorities to read the requirements of CSAPR related to information collection. Because this proposed rule does not change the requirements of CSAPR related to information collection but only changes the universe of units covered by one of CSAPR's trading program, and because no new permitting authorities would need to undertake activities related to CSAPR's information collection requirements as a result of this proposed rule, EPA has not included any burden for this item in this ICR.

(iii) Industry Respondent Monitoring Activities

The great majority of information collection burden and costs under CSAPR relate to emissions monitoring and reporting activities. CSAPR generally requires all affected sources to monitor their NO<sub>x</sub> emission rate, SO<sub>2</sub> emission rate, and heat input in order to determine NO<sub>x</sub> mass emissions and SO<sub>2</sub> mass emissions (except that CSAPR does not require SO<sub>2</sub> monitoring for sources subject to only the CSAPR NO<sub>x</sub> Ozone Season Trading Program). Coal-fired units use NO<sub>x</sub>, SO<sub>2</sub>, and flue gas flow CEMS to meet those requirements. As noted in section 5.3 above, natural gas- and oil-fired units have alternatives. To monitor SO<sub>2</sub> emission rate and heat input data, these units may perform fuel sampling and analysis (or use an SO<sub>2</sub> default factor for pipeline natural gas) combined with use of a fuel flowmeter. In addition, natural gas- and oil-fired peaking units may perform periodic NO<sub>x</sub> emission rate testing combined with use of a fuel flowmeter to monitor NO<sub>x</sub> emission rate data. Certain additional data must also be monitored for quality assurance purposes. Certain units with low mass emissions may use assumed emissions factors together with operational data to calculate emissions.

CSAPR information collection burden and costs are calculated as incremental to the information collection burden and costs under the ARP ICR. CSAPR-affected units subject to the ARP already have all or, in a few cases, most of the monitoring and reporting capability required under CSAPR (or, in the case of CSAPR-affected new units, are required to obtain that capability for ARP compliance), and the associated burden and costs are accounted for under the ARP ICR. In general, for ARP-affected units, the principal additional information collection burden and costs required by CSAPR and therefore covered under the CSAPR ICR are those associated with (1) modifying certificates of representation, and (2) performing CSAPR allowance transfer activities.

For CSAPR-affected units not subject to the ARP, CSAPR-related information collection burden and costs include the full burden and costs associated with reporting hourly NO<sub>x</sub> mass emissions, SO<sub>2</sub> mass emissions (for units in states covered by CSAPR's SO<sub>2</sub> trading programs), and heat input data, as well as the burden and costs associated with modifying certificates of representation and performing CSAPR allowance transfer activities. Most non-ARP units subject to CSAPR established their required monitoring and reporting capability under CAIR, and their ongoing burden and costs under CSAPR, including annualized capital costs originally incurred under CAIR, are now accounted for under the CSAPR ICR. As noted earlier in this

section and in section 5.3 above, CSAPR provides a variety of monitoring options for affected units. Most CSAPR-affected units not subject to the ARP are combustion turbines that commenced commercial operation before November 15, 1990. These units generally qualify to use one of the alternative monitoring options available to natural gas- or oil-fired peaking units under 40 CFR part 75. However, the set of CSAPR-affected units not subject to the ARP also includes certain units qualifying for a cogeneration exemption under the ARP but not under CSAPR, some of which combust coal and therefore must use NO<sub>x</sub>, SO<sub>2</sub> (for units in states covered by CSAPR's SO<sub>2</sub> programs), and flue gas flow CEMS to meet CSAPR's monitoring and reporting requirements.

Affected units in the following states are subject to the CSAPR NO<sub>x</sub> Annual Trading Program and one of CSAPR's two annual SO<sub>2</sub> trading programs: Alabama, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.<sup>8</sup> This proposed rule would not alter the states whose units are subject to these programs.

Affected units in the following states are currently subject to the CSAPR NO<sub>x</sub> Ozone Season Trading Program: Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.<sup>9</sup> This proposed rule would alter coverage status under the CSAPR NO<sub>x</sub> Ozone Season Trading Program for affected units in three states beginning in 2017. Specifically, the rule would add coverage for affected units in Kansas and end coverage for affected units in South Carolina and Florida.

The following discussion highlights the estimated effects of the proposed rule on information collection burden for affected units in Kansas, South Carolina, and Florida incremental to the burden covered under the existing CSAPR ICR.

EPA estimates that affected units in Kansas would experience no change in information collection burden as a result of this proposed rule. The information collection requirements under the CSAPR NO<sub>x</sub> Ozone Season Trading Program are almost entirely a subset of the information collection requirements under the CSAPR NO<sub>x</sub> Annual Trading Program, with the only exceptions being requirements to compute and report a small number of additional subtotals from the hourly data that must already be collected and reported under the annual program. The capability to perform these computations and report the results is already part of standard DAHS programming requirements, so initiation of computation and reporting requires only a simple programming command to activate the built-in capability. EPA has confirmed with DAHS vendors that approximately 95 percent of affected units have DAHS maintenance contracts under which activation would entail zero incremental cost, and EPA estimates that activation costs for

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<sup>8</sup> The D.C. Circuit has remanded to EPA for reconsideration the CSAPR SO<sub>2</sub> Group 2 trading budgets for 2017 and subsequent years for Alabama, Georgia, South Carolina, and Texas. *EME Homer City Generation, L.P. v. EPA*, 795 F.3d 118 (D.C. Cir. 2015).

<sup>9</sup> The D.C. Circuit has remanded to EPA for reconsideration the CSAPR NO<sub>x</sub> Ozone Season trading budgets for 2017 and subsequent years for Florida, Maryland, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, and West Virginia. *Id.*

remaining units would be encompassed within the scope of DAHS maintenance costs covered under the existing CSAPR ICR. The only other monitoring-related change for an affected unit would be a one-time revision to the unit's monitoring plan. EPA estimates that zero incremental burden would be incurred to revise the monitoring plan to indicate that the unit is subject to ozone season reporting requirements as part of a routine periodic monitoring plan update.

EPA estimates that affected units in South Carolina would likewise experience no change in information collection burden as a result of this proposed rule for the same reasons discussed above with respect to affected units in Kansas. In order to avoid automatic error messages generated by submission of their electronic quarterly reports to EPA, affected units in South Carolina would need to deactivate computation and reporting of the additional subtotals required to be reported by units subject to the ozone season program. Deactivation would be covered under the DAHS maintenance contracts that approximately 95 percent of affected sources have, and EPA estimates that deactivation costs for remaining units would be encompassed within the scope of DAHS maintenance costs covered under the existing CSAPR ICR. EPA estimates that zero incremental burden would be incurred to revise an affected unit's monitoring plan to indicate that the unit is no longer subject to ozone season reporting requirements as part of a routine periodic monitoring plan update.

Florida units also subject to the ARP would no longer be required to report hourly NO<sub>x</sub> mass emissions data to EPA under any CSAPR trading program. However, under the ARP these units would continue to report hourly NO<sub>x</sub> emission rate, SO<sub>2</sub> mass emissions, and heat input data, and their monitoring requirements, including their options as to the equipment used and the quality assurance activities performed, would not change. For this reason, EPA estimates that these units would experience no material change in information collection burden. Similar to a unit in South Carolina, in order to avoid automatic error messages generated by submission of electronic quarterly reports to EPA, a Florida unit subject to the ARP would need to deactivate certain computation and reporting capability built into the unit's DAHS. Deactivation would be covered under DAHS maintenance contracts for approximately 95 percent of affected units, and EPA estimates that deactivation costs for remaining units would be encompassed within the scope of DAHS maintenance costs covered under the existing CSAPR ICR. EPA estimates that zero incremental burden would be incurred to revise an affected unit's monitoring plan to indicate that the unit is no longer subject to CSAPR NO<sub>x</sub> Ozone Season reporting requirements as part of a routine periodic monitoring plan update.

Florida units not subject to the ARP would no longer be required to monitor or report NO<sub>x</sub> mass emissions or heat input data to EPA. These units would experience a decrease in information collection burden, with the magnitude of the burden varying depending on which monitoring option available under 40 CFR part 75 the unit currently employs. Units currently using continuous flue gas flow and NO<sub>x</sub> concentration monitoring would be able to discontinue equipment maintenance and quality assurance activities associated with both of these activities (unless required to meet obligations not arising under CSAPR or the ARP) and would experience the largest reduction in burden. Units currently using appendix D methodologies that involve fuel flow monitoring instead of flue gas flow monitoring and using appendix E methodologies that involve periodic NO<sub>x</sub> emission rate testing instead of continuous NO<sub>x</sub> and O<sub>2</sub> or CO<sub>2</sub> concentration monitoring would experience smaller reductions in burden. Units currently using the LME monitoring methodology would experience the smallest reductions in burden. This ICR reflects the reduction in ongoing operation and maintenance costs associated with these



reductions in burden, but does not reflect any reduction in annualized capital costs related to investments that are assumed to have already taken place.

New units covered by CSAPR are in most cases also covered by the ARP. CSAPR creates no material incremental monitoring-related burden or costs for these units, and their monitoring-related burden and costs (both capital/startup and ongoing) are accounted for in the ARP ICR. The existing CSAPR ICR includes monitoring and reporting burden and costs for an estimated number of new CSAPR units not covered by the ARP. The proposed rule only reduces the number of states in which new units could be subject to CSAPR by one state and hence is not expected to materially change the number of new CSAPR units not covered by the ARP. EPA therefore estimates zero incremental information collection burden and costs for new units as a result of this rule.

The specific elements of monitoring-related burden under the existing CSAPR ICR are described below. For each element, EPA indicates whether the burden associated with that element is expected to change for any units as a result of this rule. In this ICR, estimates of information collection burden and costs are quantified only for the two elements of respondent monitoring and reporting activities that EPA estimates will change as a result of this rule: (1) quality assurance (QA) activities and maintenance, and (2) quarterly reporting activities. As discussed above, EPA estimates that the only units that would experience a change in information collection burden and costs associated with these activities as a result of this proposed rule are non-ARP-affected units in Florida. EPA notes that monitoring burdens in general can differ significantly based on the particular monitoring methodology employed. The cost estimates EPA has used in this ICR therefore distinguish between units based on their current monitoring methodologies.

#### *Review of Regulatory Requirements*

The existing CSAPR ICR includes an allocation of time for respondents' managerial and technical staff to review the CSAPR regulatory requirements as well as the XML formats and instructions associated with electronic emissions data submissions. Because this proposed rule makes no change in the information collection requirements applicable to any individual unit, EPA considers the costs for respondents to review information collection requirements to be covered under the existing CSAPR ICR. This ICR therefore reflects no burden or costs for this activity.

#### *Start-up Activities*

In general, start-up activities when a unit first becomes subject to particular emissions monitoring and reporting obligations encompass the acquisition, installation, and testing of necessary monitoring equipment, including both capital expenditures and labor costs. For most CSAPR-affected units, no such activities would have been required under CSAPR because the necessary monitoring equipment was already in place for ARP compliance. In the cases of units affected by CSAPR but not the ARP, annualized capital costs for startup activities are reflected in the existing CSAPR ICR. Because these annualized costs reflect recovery of sunk costs that are not affected by the program coverage changes in this proposed rule, no change in burden or costs for startup activities is reflected in this ICR.

### *Monitor Certification/Recertification*

Initial certification burdens and costs for new monitoring equipment are generally encompassed within startup activities. However, monitoring systems occasionally require recertification because of changes in equipment. In the existing CSAPR ICR, EPA assumes that approximately ten percent of all units will have to recertify each year following the year in which the initial certification occurs. EPA estimates that there would be no change in this burden as a result of this proposed rule.

### *DAHS Debugging*

The existing CSAPR ICR includes an estimated ongoing burden for affected units to debug the DAHS software used to report in the 40 CFR part 75 formats consisting of one managerial and four technician hours per year. EPA estimates that any change in responding to error messages as a result of this proposed rule would be minimal and is encompassed within the burden and costs covered by the existing CSAPR ICR.

### *Quality Assurance*

Quality assurance (QA) activities and other routine maintenance for monitoring systems represent the largest burden item under CSAPR. These requirements generally include daily, quarterly, and annual QA requirements, depending on the 40 CFR part 75 monitoring approach being used. In the case of ARP-affected units, the burden and costs associated with these activities are covered by the ARP ICR, while for non-ARP-affected units the burden and costs are covered by the existing CSAPR ICR. Under this proposed rule, non-ARP-affected units in Florida would no longer be subject to part 75 monitoring and reporting requirements under either the ARP or any CSAPR trading program. These units would therefore experience a reduction in burden and costs associated with QA activities for their current monitoring systems. This reduction is covered by this ICR.

For units that use a CEMS, the Agency has assumed a per unit labor burden based on a variety of sources, including the existing ARP and CSAPR ICRs, information provided by ARP and CSAPR sources, a CEM cost model developed by EPA, and comments submitted in response to the NO<sub>x</sub> SIP Call. For units that rely on the methodologies under appendices D and/or E of part 75 or the LME methodology under §75.19, reduced labor burden estimates apply because the quality assurance activities for those methodologies are less than for a CEMS. Under both the existing ARP ICR and the existing CSAPR ICR, the labor burden is expected to be almost entirely technician labor, and the same assumption is reflected in this ICR as well.

### *Quarterly Reports*

Tasks performed by utilities in preparing quarterly reports include: (1) assuring the quality of the data, (2) preparing the quarterly report, (3) revising the monitoring plan, if necessary, (4) preparing hard copy documentation accompanying the quarterly reports, and (5) managerial review. In the case of ARP-affected units, the burden and costs associated with these activities are covered by the ARP ICR, while for non-ARP-affected units the burden and costs are covered by the existing CSAPR ICR. Under this proposed rule, non-ARP-affected units in Florida would no longer be subject to part 75 monitoring and reporting requirements under either the ARP or any CSAPR trading program. These units would therefore experience a reduction in burden and costs associated with quarterly reporting activities. This reduction is covered by this ICR, using the costs in the existing CSAPR ICR as the basis for the estimates.

### *Responding to Error Messages*

The Agency provides feedback for errors that are found in monitoring plans or other reports. For the existing CSAPR ICR, EPA assumes that each respondent not subject to the ARP experiences a burden for responding to these error messages estimated as four hours of managerial time and eight hours of technician time each year. (The burden for ARP-affected sources is accounted for in the ARP ICR.) EPA estimates that any change in responding to error messages as a result of this proposed rule would be minimal and is encompassed within the burden and costs covered by the existing CSAPR ICR.

#### (iv) Agency Monitoring Activities

Agency activities related to the monitoring and reporting of emissions data include processing, reviewing, and evaluating reports of quarterly emissions data from affected units. In the existing CSAPR ICR, the Agency estimates that these activities will require 4,500 hours per year. EPA estimates that this proposed rule will not result in any material change to this burden.

#### (v) Industry Respondent Allowance Transfer Activities

In the existing CSAPR ICR, the Agency estimates that the average annual number of CSAPR allowance transactions will be approximately 7,500 per year. This estimate is based on transaction data associated with the CAIR trading programs. The Agency believes that each transaction will involve about one hour each of managerial and technician time. EPA estimates that this proposed rule will not result in any material change to this burden.

#### (vi) Agency Allowance Transfer Activities

Agency activities related to allowance transactions include allocating allowances to existing and new units, reviewing allowance transfer information, recording transfers, notifying transfer participants, entering deduction data and deducting allowances, and ensuring compliance assurance provisions are met. In the event that compliance assurance provisions are not met it is estimated that the burden for each state exceeding compliance assurance levels would be 160 hours, however, the agency assumes that the compliance assurance provisions will be met in all states in all years. In the existing CSAPR ICR, EPA estimates that allowance transaction activities require 290 hours per year. EPA estimates that this proposed rule will not result in any material change to this burden.

#### (vii) State Allowance Transfer Activities

The FIPs promulgated by EPA specify default allocations of CSAPR emission allowances for each CSAPR trading program among each state's affected sources. States that wish to revise these default allocations may do so by submitting limited SIP revisions for that purpose. In the existing CSAPR ICR, EPA has conservatively assumed that all states with CSAPR-affected sources will choose to submit such revisions, and that the activities to prepare the submissions will require 100 hours per year. EPA estimates that this proposed rule will not result in any material change to this burden.

## **6.2 Estimating Respondent Costs**

Table 6-1 summarizes the annual industry respondent costs. It should be noted that the labor hours and cost estimates per unit identified in this document represent averages for all units

subject to changed information collection requirements and do not represent the actual burden and cost for any particular unit. The following discussion describes how the costs were derived.

(i) Estimating Labor Costs

For this ICR, EPA has estimated labor costs for industry respondents based on cost rates of \$95.10/hour for managers and \$67.38/hour for technicians. These rates are consistent with the Current Employment Cost Index for 2013 and were also used in the existing CSAPR ICR.

This ICR does not require estimates of labor costs for federal, state, or local entities because EPA estimates that the changes in burden under this proposed rule affect only industry respondents.

(ii) Estimating Capital and Operation and Maintenance Costs

In general, capital/start-up costs for a CSAPR-affected unit include the cost of installing required CEMS or alternatives. Operation and maintenance costs (exclusive of labor costs) reflect ongoing costs to a unit and include both contractor costs for the required recertification, diagnostic, and quality assurance (QA) testing, and other direct maintenance-related expenses (e.g., spare parts and calibration gases). For the existing CSAPR ICR, EPA has derived cost estimates for these items from EPA CEM cost models; ICRs for the ARP, the NO<sub>x</sub> SIP Call, and CAIR; Agency staff experience under the ARP, NO<sub>x</sub> SIP Call, CAIR, and CSAPR programs; and supplemental estimates provided by affected utilities and others related to the various cost items. For purposes of the ICR under this proposed rule, EPA has relied on the cost estimates for the existing CSAPR ICR.

As discussed above, EPA estimates that the only types of costs for which respondents would experience a change under this proposed rule are annually recurring costs related to QA activities and maintenance and quarterly reporting of emissions and other data. QA and maintenance costs vary depending on whether the unit employs CEMS or follows one of the other monitoring methodologies available under 40 CFR part 75. The costs shown for units employing particular monitoring methodologies in Table 6-1 represent estimated average costs for units using that methodology, and the total costs per respondent represent weighted average costs for all respondents, not the costs for any individual respondent.

EPA has concluded that the capital and operations and maintenance costs estimated for the Agency under the ARP ICR are sufficient to accommodate the modest changes in reporting burden for the Agency under CSAPR. Therefore, no further estimate of capital and operations and maintenance costs for the Agency is reflected either in the CSAPR ICR or in the ICR for this proposed rule.

(iii) Capital/Start-up vs. Operation and Maintenance Costs

All cost estimates presented in this ICR are for annually recurring operation and maintenance costs. EPA assumes that no existing CSAPR-affected units would incur or avoid capital expenditures or other startup costs as a result of this proposed rule because the relevant capital expenditures and startup costs have already been incurred. Units whose information collection requirements change as a result of this proposed rule would continue to bear the annualized capital costs for expenditures they have already made, as estimated under the existing CSAPR ICR. EPA also assumes for purposes of this ICR that any new CSAPR-affected units would be also be subject to the ARP, and that capital costs and startup costs for these units are covered under the existing ARP ICR.

(iv) Annualizing Capital Costs

As discussed above, the information collection costs covered under this ICR do not include any annualized capital costs.

### **6.3 Estimating the Respondent Universe and Total Burden and Costs**

In the existing CSAPR ICR, the total number of industry respondents is estimated to be 1,201 sources. For purposes of this proposed rule, the total number of industry respondents is the subset of those sources that would either gain or lose information collection requirements under the CSAPR NO<sub>x</sub> Ozone Season Trading Program. EPA estimates that the set of industry respondents for this proposed rule comprises 116 sources in Florida, Kansas, and South Carolina with units that currently are affected under CSAPR. EPA estimates that 443 units at these sources would gain or lose information collection requirements under this proposed rule.

As discussed above, EPA estimates that all CSAPR-affected units in Kansas and South Carolina and CSAPR-affected units in Florida that are also affected under the ARP would experience no change in information collection burden or costs as a result of this proposed rule despite the change in information collection requirements. EPA estimates that the CSAPR-affected units in Florida that are not affected under the ARP would experience a reduction in information collection burden and costs as a result of this rule, with the magnitude of the reduction varying based on the monitoring methodology employed at each individual unit. EPA estimates that there are 113 units in Florida that currently are affected under CSAPR but are not affected under the ARP.

Table 6-1 contains estimates of the reductions in annual information collection burden and costs to the 113 Florida units that would experience a change in information collection burden and costs under this rule, expressed as incremental to the information collection burden and costs under the existing CSAPR ICR. As discussed above, while the overall set of activities producing an information collection burden and costs for a unit subject to CSAPR includes permitting and other certification, emissions monitoring and reporting, and allowance transfer activities, EPA estimates that the only activities for which burden and costs would materially change under this rule are the activities related to emissions monitoring and reporting.

The existing CSAPR ICR reflects a burden for 104 state and local permitting authorities associated with reading CSAPR's information collection requirements, reviewing CSAPR-related permit submissions, and performing optional allocations of allowances. As discussed above, EPA estimates that this proposed rule would not cause any material change to the information collection burden and costs encompassed in the existing CSAPR ICR for either the Agency or for any state and local permitting authority.

### **6.4 Bottom Line Burden Hours and Cost**

EPA estimates that this proposed rule would alter information collection requirements for 116 industry respondents in Florida, Kansas, and South Carolina either by causing the CSAPR NO<sub>x</sub> Ozone Season Trading Program to apply to a unit not currently subject to the program or by ending applicability for a unit currently subject to the program. EPA estimates that the aggregated change in information collection burden resulting from these changes would be a

burden reduction of 14,064 hours, or an average burden reduction of 121 hours per respondent. EPA estimates that the aggregated change in information collection costs would be a cost reduction of \$1,472,047, or an average cost reduction of \$12,690 per respondent.

### **6.5 Reasons for Change in Burden**

The reason for the decrease in burden estimated in this ICR is that the proposed rule would decrease the universe of respondents subject to information collection requirements under the existing CSAPR ICR and would not impose any new substantive information collection requirements on any respondents.

### **6.6 Burden Statement**

The annual public reporting and recordkeeping burden for this proposed collection of information is estimated to be an average reduction of 121 hours per response from the burden for approved existing collections of information. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, 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, maintaining, disclosing, and providing information; adjusting the existing ways to comply with any previously applicable instructions and requirements; training personnel to be able to respond to a collection of information; searching data sources; completing and reviewing the collection of information; and transmitting or otherwise disclosing 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 facilitate 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 No. EPA-HQ-OAR-2015-0500, which is available for public viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), WJC West, Room 3334, 1301 Constitution Avenue 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 Air and Radiation Docket and Information Center 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, to 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, DC 20503, Attention: Desk Officer for EPA. Please include EPA Docket ID No. EPA-HQ-OAR-2015-0500 and OMB Control Number 2060-NEW in any correspondence.

**Table 6-1:  
Annual Industry Respondent Burden and Cost by Activity**

	<b>Manager \$95.10 Per Hour (2013)</b>	<b>Technical \$67.38 Per Hour (2013)</b>	<b>Respondent Hours/Year</b>	<b>Respondent Labor Cost/Year</b>	<b>Annual Capital Cost</b>	<b>O&amp;M Cost</b>	<b>Number of Respondents (Units)</b>	<b>Total Hours/Year</b>	<b>Total Cost/Year</b>
<b>Perform QA Testing and Maintenance</b>									
<b>Florida units no longer affected under either CSAPR or ARP</b>									
a. Solid fuel-fired units: NO <sub>x</sub> CEMS and flue gas flow CEMS	(40)	(400)	(440)	(\$30,756)		(\$31,949)	7	(3,080)	(\$438,935)
b. Gas/oil-fired units: NO <sub>x</sub> CEMS and Appendix D fuel flow monitoring	(20)	(375)	(395)	(\$27,170)		(\$17,818)	2	(790)	(\$89,976)
c. Gas/oil-fired peaking units: Appendix D fuel flow monitoring and Appendix E NO <sub>x</sub> rate testing, or §75.19 LME methods	(5)	(30)	(35)	(\$2,497)		(\$1,843)	104	(3,640)	(\$451,360)
<b>Assure Data Quality, Prepare Reports, Submit Reports</b>									
All Florida units no longer affected under either CSAPR or ARP	(16)	(42)	(58)	(\$4,352)			113	(6,554)	(\$491,776)
<b>TOTAL</b>								(14,064)	(\$1,472,047)