**SUPPORTING STATEMENT FOR**

**EPA INFORMATION COLLECTION REQUEST NUMBER 2493.01**

**REPORTING AND RECORDKEEPING REQUIREMENTS**

**For the Proposed Rule:**

**CATEGORICAL NON-WASTE DETERMINATION FOR SELECTED NON HAZARDOUS SECONDARY MATERIALS (NHSMs):**

**CONSTRUCTION AND DEMOLITION WOOD, PAPER RECYCLING RESIDUALS,**

**and CREOSOTE-TREATED RAILROAD TIES**

**(Additions to List of Section 241.4 Categorical Non-Waste Fuels)**

*August 27, 2013*

*(revised 10/30/2013)*

**TABLE OF CONTENTS**

1. IDENTIFICATION OF THE INFORMATION COLLECTION 1

1(a) Title and Number of the Information Collection 1

1(b) Background and Short Characterization 1

2. NEED FOR AND USE OF THE COLLECTION 2

2(a) Need and Authority for the Collection 2

2(b) Practical Utility and Users of the Data 2

3. NONDUPLICATION, CONSULTATIONS, AND OTHER

 COLLECTION CRITERIA 2

3(a) Nonduplication 2

3(b) Public Notice 3

3(c) Consultations 3

3(d) Effects of Less Frequent Collection 3

3(e) General Guidelines 3

3(f) Confidentiality 3

3(g) Sensitive Questions 4

4. THE RESPONDENTS AND THE INFORMATION REQUESTED 4

4(a) Respondents and NAICS Codes 4

4(b) Information Requested 4

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

5(a) Agency Activities 5

5(b) Small Entity Flexibility 5

6. ESTIMATING THE HOUR AND COST BURDEN OF THE COLLECTION 5

6(a) Estimating Respondent Burden 6

6(b) Estimating Respondent Costs 6

6(c) Estimating Agency Burden and Costs 7

6(d) Estimating the Respondent Universe and Total Burden and Costs 7

6(e) Bottom Line Burden Hours and Costs 8

6(f) Reason for Change in Burden 9

6(g) Burden Statement 9

**EXHIBITS**

Exhibit 1: Estimated Respondent Burden and Cost 10

Exhibit 2: Estimated Agency Burden and Cost 11

Exhibit 3: Estimated Average Burden per Respondent 12

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

**1(a) Title and Number of the Information Collection**

 This information Collection Request (ICR) is entitled “Categorical Non-Waste Determination for Selected Non Hazardous Secondary Materials (NHSM): Construction and Demolition Wood, Paper Recycling Residuals, and Creosote-Treated Railroad Ties (Additions to List of Section 241.4 Categorical Non-Waste Fuels) (Proposed Rule),” ICR Number 2493.01.

**1(b) Background and Short Characterization**

 Section 129 of the Clean Air Act (CAA) directs EPA to promulgate regulations to control emissions of nine specified pollutants from “solid waste incineration units.” EPA did so in December 2000 with the publication of the final Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units (the “CISWI Rule”). In September 2004, under section 112(d) of the CAA, the Agency promulgated the National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters (the “Boilers Rule”). This rule established Maximum Achievable Control Technology (MACT) standards for this source category. Units regulated under section 129 cannot be subject to any rule promulgated under section 112.[[1]](#footnote-1)

 Responding to a petition for reconsideration, EPA amended the CISWI Rule in September 2005 with a rule that revised definitions for “solid waste,” “commercial or industrial waste,” and “commercial and industrial solid waste incineration unit” (the “CISWI Definitions Rule”). As part of the CISWI Definitions Rule, EPA made a distinction between solid waste incinerators and boilers, characterizing the former as units that are designed and operated to discard materials through high temperature combustion. However, EPA excluded from the definition of a solid waste incinerator those units designed to recover energy for “useful purposes such as steam generation or process heating.”

In July 2007, the Court of Appeals for the District of Columbia Circuit vacated and remanded to EPA both the CISWI Definitions Rule and the Boilers Rule. In vacating the Definitions Rule, the Court noted that, despite the potential reasonableness of the functional distinction between boilers and incinerators, the CAA is unambiguous in its requirement that EPA regulate as a solid waste incineration unit any commercial or industrial incinerator that combusts any solid waste material, regardless of whether the waste is burned as a “fuel.” The Court also concluded that EPA erred in excluding from the CISWI Definitions Rule units that combust solid waste for the purposes of energy recovery and including these units in the Boilers Rule.

In partial response to the Court’s decision, EPA published the Non-Hazardous Secondary Materials (NHSM) Rule on March 21, 2011. Amendments to this rule were published in the Federal Register on February 7, 2013. These amendments provided clarification on certain issues on which EPA received new information, as well as specific targeted revisions. In addition, these amendments listed several NHSMs as categorical non-wastes when used as fuels. The Agency also indicated that we would consider adding additional materials to the categorical listings as more information became available.

 The rule associated with this ICR Supporting Statement proposes to add three additional materials to the list of categorical non-waste fuels: (1) construction and demolition (C&D) wood processed by trained workers from construction and demolition debris according to best management practices; (2) paper recycling residuals (PRRs), including old corrugated cardboard (OCC) rejects, generated from the recycling of recovered paper and paperboard products and burned on-site by paper recycling mills whose boilers are designed to burn solid fuel, and (3) creosote-treated railroad ties that are processed and combusted in units designed to burn both biomass and fuel oil. This ICR is a description of the indirect information collection requirements associated with the proposed rule.

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

**2(a) Need and Authority for the Collection**

The requirements covered in this ICR are necessary for the EPA to identify appropriately processed non-hazardous secondary materials that are solid waste when combusted and to enforce Sections 112 and 129 of the Clean Air Act. The EPA is proposing the establishment of these information collection requirements under the authority of the Clean Air Act, subject to the non solid waste characterization established under the Resource Conservation and Recovery Act (RCRA).

**2(b) Practical Utility and Users of the Data**

The EPA will use the collected information, if any, to ensure that non-hazardous secondary materials that are solid wastes are managed as such and that combustion units that use these materials are regulated under the appropriate Section(s) of the Clean Air Act.

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

**3(a) Non duplication**

None of the information required by the rule, as proposed, would duplicate information required by existing RCRA or CAA regulations. No other Federal agency or department is known to collect this information.

**3(b) Public Notice**

In compliance with the Paperwork Reduction Act of 1995, the EPA plans to open a public comment period at the time that the Proposed Rule is published in the *Federal Register*.

 As part of the Federal Register notice on the proposed regulation, the EPA is soliciting comments on this information collection and the estimates in this ICR. The EPA will solicit comments on specific aspects of the proposed information collection, as described below:

1) Whether the Agency’s burden estimate is accurate; and

2) How to minimize the burden on respondents, including use of appropriate automated electronic, mechanical, or other forms of information technology.

**3(c) Consultations**

The EPA consulted with and collected information from various interested parties throughout the development of the proposed rule. The EPA met and communicated with industry associations, generators and users of the materials potentially affected by the rule, as well as other interested parties. The estimates in this ICR reflect the data and assumptions that EPA has developed. The documents and data provided, summaries of the meetings, and/or telephone conversations with interested parties are available in the docket for the rule.

Presented below is a representative sample of contacts that provided data and information that contributed in some way to the development of the proposed rule, and this ICR:

* American Forest and Paper Association (202-463-2700, info@afandpa.org)
* Broad Run Construction Waste Recycling (571-292-5333, kherb1956@aol.com)
* Bayshore Recycling (732-738-6000, gsondermeyer@bayshorerecycling.com)
* Industrial Economics, Inc. (EPA contractor) (617-354-0074)
* Association of American Railroads (202-639-2100)
* Treated Wood Council (202-463-2045)

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

The EPA has carefully considered the burden imposed upon the regulated community by the rule, as proposed. EPA is confident that the activities required of respondents are necessary, and to the extent possible, the Agency has attempted to minimize the burden imposed. The Agency strongly believes that, if the minimum informational requirements of the rule are not met, neither industry nor the EPA will be able to ensure that non-hazardous secondary materials that are solid wastes are managed in a manner that is protective of human health and the environment.

**3(e) General Guidelines**

This ICR adheres to the guidelines stated in the Paperwork Reduction Act of 1995, OMB’s implementing regulations, EPA’s ICR Handbook, and other applicable OMB guidance.

Any information collections performed under this clearance will follow all of OMB’s General Guidelines regarding data collection.

**3(f) Confidentiality**

Section 3007(b) of RCRA and 40 *CFR* Part 2, Subpart B, which defines EPA’s general policy on public disclosure of information, contain provisions for confidentiality. However, the Agency does not anticipate that businesses will assert a claim of confidentiality covering all or part of the rule. However, if such a claim is asserted, the EPA must, and will treat the information in accordance with the regulations cited above. The Agency will also ensure that this information collection complies with the Privacy Act of 1974 and OMB Circular A-130.[[2]](#footnote-2)

**3(g) Sensitive Questions**

No questions of a sensitive nature are included in the information collection requirements associated with the rule.

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

**4(a) Respondents and NAICS Codes**

The following is a list of North American Industrial Classification System (NAICS) codes associated with the facilities potentially affected by this ICR.

| ***Industry Category or Sub Category*** | ***NAICS*** |
| --- | --- |
| Utilities | 221 |
| Construction of Buildings | 236 |
| Site Preparation Contractors | 238910 |
| Manufacturing | 31, 32, 33 |
| Wood Product Manufacturing | 321 |
| Sawmills | 321113 |
| Cement Manufacturing  | 32731 |
| Waste Management and Remediation Services | 562 |
|  |

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be impacted by this action.

**4(b) Information Requested**

This section describes information collection requirements applicable to entities that would be affected by the rule, as proposed.

**Petition Process**

 The rule does not contain a petition process.[[3]](#footnote-3)

**Notification**

The rule does not contain any notification requirements.

**Rule Familiarization (Reading the Regulations)**

(i) Data items:

None.

(ii) Respondent activities:

 It is expected that entities potentially affected (indirectly) by the rule will need to read it to assess how it may affect their operations.

**Title V Permitting**

Under the rule, as proposed, some combustion units that are currently regulated under Section 129 of the Clean Air Act may have the opportunity to be newly regulated under Section 112. For a limited number of units, this change in regulatory status could potentially trigger reduced permitting requirements. This would be an indirect impact of the rule, and would not represent any direct burden change under this RCRA action, as proposed.

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

**5(a) Agency Activities**

Because the rule, as proposed, contains no notification requirements, the Agency will not engage in notification review.

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

This is not a survey ICR that requires primary (first hand) data collection. The data used in this ICR were collected from secondary sources and past EPA analyses that employed quality controlled data.

**5(c) Small Entity Flexibility**

The self-implementing approach for non-waste determinations would provide small entities with flexibility to minimize any burden indirectly associated with the rule, as proposed. Under this approach, small entities would not be required to submit any paperwork to EPA or state agencies.

 **5(d) Collection Schedule**

 There are two burden categories associated with this action: reading and understanding the rule, and certification statements for affected facilities. Reading and understanding the rule is a one-time burden expected to occur to affected facilities within one month following final rule publication. The schedule for preparation and submission of certification statements for affected facilities is not possible for the Agency to determine and will occur based on each facility’s needs and production schedule.

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

 This section provides information on the cost and burden associated with the information collection for both the respondents and the Agency. It presents these cost and burden estimates as individual costs per respondent, and as an aggregate cost for the entire respondent universe and the Agency on an annual basis and over the entire period covered by the ICR.

**6(a) Estimating Respondent Burden**

 In Exhibit 1, we estimate the respondent burden associated with the proposed rule. As shown in the Exhibit, we estimate that the one-time respondent burden for rule familiarization is one hour per facility (respondent), recognizing that rule familiarization would occur on a per facility basis. In addition to rule familiarization, construction and demolition (C&D) wood processing facilities would incur a one-time burden associated with the preparation of a certification statement necessary to assure the burners that the C&D wood received from such processing facilities is clean, and has been processed according to best management practices. We estimate that C&D wood processors would need approximately 4.1 hours to prepare the certification statement. This certification statement is an indirect requirement of the proposed rule.

 **6(b) Estimating Respondent Costs**

**Labor Costs**

Exhibit 1 summarizes the total costs of the burden associated with the proposed rule. As indicated in the exhibit, the rule familiarization cost is estimated at $74.20 per facility (respondent). C&D wood processing facilities are also estimated to incur an indirect burden-related cost of $298.65 per facility for preparation of the certification statement. These cost estimates reflects the total cost of labor (base wage rate plus benefits plus labor related overhead). For purposes of this analysis, we have estimated an average hourly respondent total labor cost of $92 for legal personnel, $76 for managerial, $66 for technical staff, and $29 for clerical staff.

 **Capital and Operation & Maintenance Costs**

Capital costs usually include any produced physical good necessary to provide the required information, such as machinery, computers, and other equipment. The Agency does not anticipate that respondents will incur capital costs associated with this action.

O&M costs are those costs associated with materials and services procured for the information collection requirements included in the ICR. For this ICR, O&M costs may include the costs of supplies used in the preparation of each C&D wood certification statement (e.g., paper, photocopies, postage). These O&M costs are believed to be negligible (less than $1 per certification) and have not been incorporated into Exhibit 1.

 **Capital/Start-up Operating and Maintenance (O&M) Costs**

 There are no operating and maintenance capital or start-up costs associated with this action.

 **Annualizing Capital Costs**

 There are no capital costs associated with this action, thus there are no capital costs to annualize.

**6(c) Estimating Agency Burden and Costs**

As indicated in Exhibit 2, there is no Agency burden or cost associated with this RCRA action.

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

**Respondent Universe**

The number of affected entities varies by information collection activity, as summarized below:

*Rule Familiarization:* We estimate that a total of 605 facilities will incur rule familiarization costs under the Proposed Rule. This estimate is based upon information compiled by the EPA on the number of potentially affected generators/processors and burners of the non-hazardous secondary materials addressed in this action.

Our sources indicated there may be anywhere from 300 to 500 C&D wood processing facilities operating in the U.S. who may be impacted by this action. We use the high estimate of 500 facilities in this ICR. In addition, there may be up to 20 different paper recycling mills that may be impacted by this action, and approximately 15 Creosote Treated Railroad Tie recovery companies operating in North America. Based on the information presented in Table 5 of the Boiler MACT Preamble (40 CFR Part 63. January 31, 2013), we estimate there may be as many as 70 biomass capable section 112 facilities in the U.S., operating boilers or process heaters that may burn the non waste material that goes off-site. Exhibit 1 presents the sources for these estimates.

*Certification Statement:* We estimate that there may be approximately 500 C&D wood processing facilities that may need to prepare the certification statement indirectly required by this rule, as proposed.

**Respondent Burden and Cost**

Based on the universe data presented above, the EPA estimates the aggregate respondent burden associated with all of the new information collection requirements covered in this ICR. A discussion of the assumptions used in developing these burden estimates follows.

***Rule Familiarization***

As shown in Exhibit 1, we estimate that a total of 605 potentially affected facilities will need to read and understand the rule. We estimate that the per-facility burden for rule familiarization is one hour, with a cost of approximately $74.20 per facility.

***Certification Statement***

As shown in Exhibit 1, we estimate that as many as 500 potentially affected C&D wood processors facilities may need to prepare the certification statement. The estimated per facility burden of this certification statement is 4.1 hours, and the estimated cost per facility is $298.65.

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

**Respondent Burden and Costs**

In Exhibit 1, we present the total respondent burden and cost for the rule familiarization and the certification statement. The total respondent burden and costs for these requirements are as follows:

***Rule Familiarization***

All potentially affected facilities will incur the one-time cost of reading the rule. EPA estimates that the total burden for rule familiarization is 605 hours. At the cost of $74.20 per hour, the associated aggregate cost is estimated at $44,891. Averaged over the three year period of this ICR the total annual cost is estimated at $14,964.

 ***Certification Statement***

Affected C&D wood processing facilities are expected to incur a one-time cost of preparing the certification statement. The estimated (one-time) aggregate burden for respondents is 2,050 hours and the estimated (one-time) aggregate cost is approximately $149,325.[[4]](#footnote-4) Averaged over the three year period of this ICR the total annual cost is estimated at $49,775.

There is a total of 605 estimated annual respondents. All 605 respondents will read the rule. Of the 605 respondents, it is anticipated that only 500 of them will prepare a certification statement.

**Agency Burden and Costs**

There is no total Agency burden and cost associated with the paperwork requirements for the rule.

 **Variations In The Annual Bottom Line**

We do not expect a significant variation (>25%) in the annual respondent reporting/recordkeeping burden or cost over the course of the clearance period for this ICR.

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

As described in this ICR, the EPA expects that the rule, as proposed, will result in an increase of 2,655 burden hours (885 annual hours) to selected entities. This increase in burden reflects the specific paperwork requirement indirectly established in association with the C&D wood processor certification statement. The Agency has determined that this requirement is necessary for informed assessments of the waste status of certain secondary materials, and to ensure that non-hazardous secondary materials are managed in a manner that is consistent with their status as a waste or non-waste.

**6(g) Burden Statement**

 Exhibit 3 summarizes the average burden associated with each of the paperwork requirements associated with the rule, presented separately for regulated entities and the EPA. The paperwork requirements reflected in the exhibit include one-time activities for (1) the certification statement for C&D wood processors, and (2) rule familiarization.

 As indicated in Exhibit 3, we estimate the total burden associated with one-time activities as a range for regulated entities and EPA. This is because the burden per respondent depends on whether the respondent files a petition for non-waste determination.

 To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, the EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-RCRA-2013-0110, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the RCRA Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the RCRA Docket is (202) 566-0270. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-RCRA-2013-0110 and the OMB Control Number in any correspondence.

|  |
| --- |
|  **Exhibit 1 - Estimated Respondent Burden and Cost** |
|  Hours and Costs/hour per Respondent Total Hours and Cost |
| ACTIVITY | Legal$92 | Managerial$76 | Technical$66 | Clerical$29 | Respondent Hours | Labor Cost | Capital/Startup Cost | O&MCost | Cost per Respondent | Number of Respondents | Total Hours | Total Cost |
| **RULE FAMILIARIZATION – Read the rule (one-time burden and cost)** |
| Affected Facilities | 0.2 | 0.3 | 0.5 | 0.0 | 1.0 | $74.20 | $0.0 | $0.0 | $74.20 | 605 | 605 | $44,891 |
| **CERTIFICATION STATEMENT FOR AFFECTED FACILITIES:** |
| Affected Facilities | 1.00 | 1.50 | 1.25 | 0.35 | 4.10 | $298.65 | $0.0 | $0.0 | $298.65 | 500 | 2,050 | $149,325 |
| *Note*: Wage rates are loaded estimates. |

**Sources:**

* Additions to List of Section 241.4 Categorical Non-Waste Fuels, Proposed Rule
* U.S. EPA, Office of Resource Conservation and Recovery. Assessment of the Potential Costs, Benefits, and Other Impacts *for the P*roposed Rule: Categorical Non-Waste Determination for Selected Non Hazardous Secondary Materials (NHSM): Construction and Demolition Wood, Recycling Process Residuals, and Creosote-Treated Railroad Ties (Additions to List of Section 241.4 Categorical Non-Waste Fuels).
* National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters; Final Rule (40 CFR Part 63. January 31, 2013).
* U.S. EPA, Office of Resource Conservation and Recovery. August 24, 2009. Waste and Materials-Flow Benchmark Sector Report: Beneficial Use of Secondary Materials - Construction & Demolition Materials.
* Franklin Associates. June 1998. Characterization of Building-Related Construction and Demolition Debris in the United States.

*Generation, Management, and Processing of Paper Processing Residuals*. Industrial Economics Corporation (IEc.) October 26, 2012.

**Assumptions:**

Based on the information presented in Table 5 of the Preamble (40 CFR Part 63. January 31, 2013), we estimate there are approximately 60 to **70** biomass capable section 112 facilities in the U.S., operating boilers or process heaters. We assume that facilities with exclusive non biomass capable units (e.g., gas 1, light or heavy liquid units, coal units) would have no interest in taking the time to read the rule. An unknown number of CISWI facilities and other interested parties may read the rule.

1. EPA (August 24, 2009) estimates there are 3,300 C&D materials recycling facilities operating nationwide. This includes approximately 3,000 concrete and asphalt recyclers, which leaves about 300 mixed debris (including wood processing) facilities. Franklin Associates (June 1998) estimates there were about **500** wood waste processing facilities operating in the U.S. in the late 1990’s. We use the high estimate of 500 facilities in this ICR.
2. Based on IEc. paper referenced above, there are approximately 15 to **20** different paper recycling mills that may be impacted by this action.
3. Information submitted to the Agency indicates there are approximately **15** Creosote Treated Railroad Tie recovery companies operating in North America (see Preamble to the Proposed Rule).

|  |
| --- |
|  **Exhibit 2 - Estimated Agency Burden and Cost** |
|  Hours and Costs per Respondent Total Hours and Costs |
| INFORMATION COLLECTION ACTIVITY | Legal | Mgr. | Tech. | Cler. | Respon. Hours | Labor Cost | Capital/Startup Cost | O & M Cost | Total Cost per Respondent | Number of Respondents | Total Hours | Total Cost |
|  |
| There is no estimated Agency burden or cost associated with the RCRA action. Enforcement of the C&D wood processing certification statement falls under the Clean Air Act.  |

|  |
| --- |
| **Exhibit 3****Estimated Average Burden per Respondent (hours)** |
|  | **Regulated Entities** | **EPA** |
| ***Burden for one-time activities*** |
| Rule Familiarization (one-time burden) | 1.0 | N/A |
| Certification Statement (one-time burden) | 4.1 | N/A |
|  |  |  |
|  |

1. However, sources have the option to switch back and forth between CAA sections 112 and 129 applicability. [↑](#footnote-ref-1)
2. OMB Circular A-130 rescinded OMB Circular A-108. [↑](#footnote-ref-2)
3. The EPA previously made final a rulemaking process in §241.4(b) that provides persons an opportunity to submit a rulemaking petition to the Administrator, seeking a determination for additional NHSMs to be categorically listed in §241.4(a) as non-waste fuels. [↑](#footnote-ref-3)
4. Anecdotal information from selected C&D wood processors indicates that an undetermined number of processors currently prepare and submit to burners a “best practices” certification statement as part of their standard business practice. In addition, contractual arrangements between some burners and processors often require “clean wood” processed according to best practices. Thus, the actual incremental aggregate cost for this burden activity may be considerably lower than the estimate presented here. [↑](#footnote-ref-4)