

**SUPPORTING STATEMENT
ENVIRONMENTAL PROTECTION AGENCY**

Greenhouse Gas Reporting Rule: Leak Detection Methodology Revisions and Confidentiality
Determinations for Petroleum and Natural Gas Systems; Proposed Rule
(40 CFR Part 98, subpart W)
January 2016

Part A of the Supporting Statement

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title and Number of the Information Collection

Recordkeeping and Reporting Requirements for Leak Detection Methodology Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems (40 CFR part 98, Subpart W). The OMB Control number is 2060-NEW and the EPA ICR tracking number is 2534.01.

1(b) Short Characterization

In response to the FY2008 Consolidated Appropriations Act (H.R. 2764; Public Law 110-161) and under authority of the Clean Air Act (CAA), the EPA finalized the Greenhouse Gas Reporting Rule (74 FR 56260; October 30, 2009). The Greenhouse Gas Reporting Rule is referred to as 40 CFR Part 98 (hereafter referred to as “Part 98”) and implementation of Part 98 is referred to as the Greenhouse Gas Reporting Program (GHGRP). This supporting statement addresses information collection activities that would be imposed by “Greenhouse Gas Reporting Rule: Leak Detection Methodology Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule.”

Part 98, which became effective on December 29, 2009, requires that certain facilities and suppliers emitting above certain threshold levels of carbon dioxide (CO₂) equivalent (CO₂e) monitor and report emissions of greenhouse gases (GHGs). Subsequent rules were published on November 30, 2010 (75 FR 74458), November 25, 2014 (79 FR 70352), and October 22, 2015

(80 FR 64262) finalizing the requirements for the petroleum and natural gas systems source category (hereafter referred to as “subpart W”) at 40 CFR part 98, subpart W.

For this rulemaking, which affects subpart W reporters, the EPA is proposing to add new monitoring methods for detecting leaks from oil and gas equipment in the petroleum and natural gas systems source category consistent with the leak detection methods in the recently proposed new source performance standards (NSPS) for the oil and gas industry (80 FR 56593; September 18, 2015), also known as 40 CFR part 60, subpart OOOOa (also referred to as the “NSPS subpart OOOOa”). In addition, the EPA is proposing to add emission factors for leaking equipment to be used in conjunction with these monitoring methods to calculate and report greenhouse gas (GHG) emissions resulting from equipment leaks. These amendments are expected to impact industry segments that conduct leak detection surveys. These revisions are expected to increase respondent burden for subpart W reporters that become subject to the NSPS subpart OOOOa. To accommodate the new methods and emission factors added by these proposed amendments, the EPA expects that each affected subpart W facility would update their facility-specific calculation mechanism (i.e., calculation spreadsheet, recordkeeping database, etc.) when and if the facility becomes subject to the NSPS subpart OOOOa.

All respondents subject to subpart W are required to report data elements according to §98.236, and maintain records according to §98.237. All respondents must report and maintain records as specified in Part 98.

Approximately 2,200 respondents are subject to subpart W and this rulemaking is expected to increase labor costs for some subpart W industry segments over the 3-year period of this ICR. Compared with the estimated respondent burden identified in the information collection for the GHGRP currently approved by the Office of Management and Budget (OMB), this information collection would result in an overall increase in annual burden of 502 hours and \$50,000, as shown in Section 6.

2. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

The FY2008 Consolidated Appropriations Act, signed into law on December 26, 2007, directed the EPA to “develop and publish a draft rule not later than 9 months after the date of enactment of this Act, and a final rule not later than 18 months after the date of enactment of this Act, to require mandatory reporting of greenhouse gas emissions above appropriate thresholds in all sectors of the economy of the United States.”

As stated in the October 30, 2009 preamble to Part 98 (74 FR 56260), CAA section 114(a)(1) authorizes the Administrator to require emissions sources, persons subject to the CAA, or persons whom the Administrator believes may have necessary information to report emissions and provide such other information the Administrator requests for the purposes of carrying out any provision of the CAA.

Therefore, the EPA is proposing this information collection under the authority provided in CAA section 114.

2(b) Use /Users of the Data

The GHGRP collects information from facilities that directly emit GHGs and from suppliers of products that release GHGs if combusted, oxidized, or used. The comprehensive GHG data reported directly from large facilities and suppliers across the country are accessible to the public at: <http://ghgdata.epa.gov/ghgp/main.do>. Reporting entities generally use uniform methods for estimating emissions, which enables data to be compared and analyzed.

Data collection in the GHGRP complements the Inventory of U.S. Greenhouse Gas Emissions and Sinks (Inventory) and provides a critical tool for communities to identify nearby sources of GHGs and provide information to state and local governments.

The standardization of GHG data provides businesses with the necessary information to benchmark themselves against similar facilities, better understand their relative standing within their industry, and achieve and disseminate their environmental achievements. Businesses and other innovators can use the data to determine their GHG footprints, find cost- and fuel-saving

efficiencies that reduce greenhouse gas emissions (e.g., through energy audits or other forms of assistance), and foster technologies to protect public health and the environment.

Generally, the facility-specific GHG emissions data improve the understanding of the factors that influence GHG emission rates as well as the actions that facilities take to reduce emissions. The facility-based data can be aggregated to the corporate level in order to track emission trends from industries, within industries, and across industries over time, particularly in response to policies and potential regulations.

Specifically, subpart W data can be used to complement atmospheric GHG studies and inform updates to emission inventories. Various activity data are collected that can be used to improve understanding of the occurrence of emissions from a variety of sources.

The proposed amendments in this rulemaking would refine the equipment leak emission estimates provided under the GHGRP for facilities conducting fugitive emission monitoring. The proposed amendments would also allow facilities to use a consistent method to demonstrate compliance with multiple EPA programs. This proposal would limit burden for subpart W facilities with affected sources that would also be required to comply with the proposed NSPS subpart OOOOa by allowing them to use data derived from the implementation of the NSPS subpart OOOOa to calculate emissions for the GHGRP rather than requiring the use of different monitoring or calculation methods.

3. NONDUPLICATION, CONSULTATIONS AND OTHER COLLECTION CRITERIA

3(a) Nonduplication

The information proposed to be collected under the revisions includes nine new and substantially revised data elements. The data elements are: (1) the number of complete equipment leak surveys performed during the calendar year; (2) whether any equipment leak component types are subject to the NSPS subpart OOOOa; (3) whether you elected to report to subpart W using the equipment leak survey methodology; (4) the method(s) in 40 CFR 98.234(a) used to conduct the leak survey; (5) component type; (6) the number of each type of component identified as leaking; (7) the average time each type of surveyed components are assumed to be leaking and operational; (8) annual CO₂ emissions by component type; and (9) annual CH₄ emissions by component type. These data elements are similar to the types of industry data already being collected under the GHGRP. The EPA has evaluated the types of industry data collected under Part 98, and concluded that they do not duplicate other information collections, as described below.

In developing the GHGRP, the EPA reviewed monitoring methods, including:

- Federal programs within the United States, such as the Inventory, the U.S. Department of Energy's (DOE's) Energy Information Administration's (EIA's) 1605b program, the Acid Rain Program, EPA Natural Gas STAR Program, and voluntary GHG partnership programs;
- State and regional GHG reporting programs, such as The Climate Registry, the Regional Greenhouse Gas Initiative, the Western Regional Air Partnership, and programs in several states including California, New Mexico, Connecticut, and New Jersey;
- Reporting protocols developed by nongovernmental organizations, such as the World Resources Institute/World Business Council for Sustainable Development;
- Programs from industrial trade organizations, such as the Interstate Natural Gas Association of America's GHG Emission Estimation Guidelines, the American Petroleum Institute's Compendium of GHG Estimation Methodologies for the Oil and Gas Industry, and the World Business Council for Sustainable Development's Cement Sustainability Initiative's CO₂ Accounting and Reporting Standard for the Cement Industry; and

- IPCC Guidelines for National Greenhouse Gas Inventories.

Many of these programs collect different or additional data as compared to the GHGRP and this rulemaking. For example, state programs may include different data elements to support other programs (e.g., offsets). While some programs collect similar information on GHG emissions, the agency has determined that the GHGRP supplements and complements, rather than duplicates, existing programs' data. Further, the EPA has made significant efforts over the past 4 years to facilitate reporting in the event a single entity has to report at both the federal and state level. For example, the EPA has supported efforts by the California Air Resources Board to harmonize the reporting of information under California's Global Warming Solutions Act, AB32 with the EPA's GHGRP. The product of the collaboration is referred to as California Electronic Greenhouse Gas Reporting Tool, or Cal e-GGRT.

Documentation of the EPA's review of GHG monitoring protocols used by federal and state voluntary and mandatory GHG programs as well as GHG reporting rules can be found in Docket ID No. EPA-HQ-OAR-2008-0508. For further discussion on the relationship of the GHGRP to other programs, please refer to the preambles of each of the GHGRP rulemakings, the June 6, 2008 memorandum entitled "Review of Existing Programs" (Docket Item No. EPA-HQ-OAR-2008-0508-0052), and the January 27, 2009 memorandum entitled "Review of Existing State Greenhouse Gas Reporting Rules" (Docket Item No. EPA-HQ-OAR-2008-0508-0054). Some GHG programs are described below:

- A number of the EPA's voluntary partnership programs include a GHG emissions and/or reductions reporting component (e.g., Natural Gas STAR program). However, the GHGRP has much broader coverage than the voluntary programs and therefore helps the EPA learn more about emissions from facilities not included in current programs.
- The EPA reviewed the Inventory, which is an annual comprehensive top-down assessment of national greenhouses gas emissions. While the Inventory is generally compiled from national surveys (i.e., not broken down at the geographic or facility level), the GHGRP focuses on bottom-up data from individual facilities that exceed appropriate thresholds.

As noted in the current ICR for the GHGRP, a number of programs at the state, tribal, territorial, and local level require emission sources in their respective jurisdictions to monitor and report GHG emissions. To reduce burden on reporters and program agencies, the agency plans to

share reported data, with the exception of any information determined to be Confidential Business Information (CBI), with relevant agencies or approved entities using, where practical, shared tools, and infrastructure.

Based on this evaluation, this information collection request would not duplicate other information collections.

3(b) Public Notice Required Prior to Information Collection Request (ICR) Submissions to OMB

A public notice of this collection is provided in the Federal Register notice of “Greenhouse Gas Reporting Rule: Leak Detection Methodology Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule.”

3(c) Consultations

Early in the development process of the GHGRP, the EPA conducted a proactive communications outreach program to inform the public about the rule development effort. The EPA solicited input and maintained an open-door policy for those interested in discussing the rulemaking. Since January 2008, the EPA staff has held more than 100 meetings with stakeholders, including the following:

- Trade associations and firms in potentially affected industries/sectors;
- State, local, and tribal environmental control agencies and regional air quality planning organizations;
- State and regional organizations already involved in GHG emissions reporting, such as The Climate Registry, California Air Resources Board, and the Western Climate Initiative; and
- Environmental groups and other nongovernmental organizations.

The EPA also has met with federal agencies, including the U.S. Department of Energy and the U.S. Department of Agriculture, which have programs relevant to GHG emissions.

On April 10, 2009 (74 FR 16448), the EPA proposed the GHGRP. The EPA held two public hearings, and received more than 16,000 written comments during the public comment period, which ended on June 9, 2009. Comments related to Subpart W were received from more

than 80 entities with over 1,200 pages of comments, recommendations, and alternatives for consideration. Details about these meetings and the responses to comments are available in Docket ID No. EPA-HQ-OAR-2009-0923.

Following promulgation of the final subpart W rule (75 FR 74458, November 30, 2010), the EPA finalized the following actions revising subpart W: 76 FR 22825 (April 25, 2011); 76 FR 59533 (September 27, 2011); 76 FR 80554 (December 23, 2011); 77 FR 51477 (August 24, 2012); 78 FR 25392 (May 1, 2013); 78 FR 71904 (November 29, 2013); 79 FR 63750 (October 24, 2014); 79 FR 70352 (November 25, 2014); and 80 FR 64262 (October 22, 2015).

In the current action, the EPA is proposing to add new monitoring methods for detecting leaks from oil and gas equipment and to add emission factors for leaking equipment to be used in conjunction with the monitoring methods to calculate and report greenhouse gas (GHG) emissions resulting from equipment leaks.

In conjunction with this action, we are proposing confidentiality determinations for the nine new and substantially revised data elements contained in these proposed amendments.

3(d) Effects of Less Frequent Collection

The frequency for reporting emissions information to the EPA under the GHGRP was originally established to minimize the burden on owners and operators of affected facilities, while ensuring that the GHGRP collects facility-specific data of sufficient quality to achieve the agency's objectives. The GHGRP requires annual reporting, except for a limited number of facilities that are already subject to more frequent reporting requirements. This reporting frequency remains the same in these revisions to Part 98.

Annual reporting would ensure that data are verified and made available to the public, as authorized by the CAA. If the information collection were not carried out on this schedule, the agency would not be able to develop an informed tracking system of trends in GHG emissions across the country.

Note that the burden related to this rulemaking has been annualized over the 3-year period of the ICR. The EPA anticipates that each individual reporter will update the existing facility-specific calculation mechanism to accommodate the new methods and emission factors only once during the 3-year period of the ICR. Due to the size and complexity of Onshore Petroleum and Natural Gas Production facilities and Onshore Petroleum and Natural Gas

Gathering and Boosting facilities, all subpart W facilities in these two industry segments are expected to become subject to the NSPS subpart OOOOa in the next 3 years through modification or reconstruction. Therefore, updating the facility-specific calculation mechanism is expected to apply to all subpart W facilities in these two industry segments over the 3-year period of this ICR.

3(e) General Guidelines

This collection is consistent with all OMB guidelines under 5 CFR 1320.5.

3(f) Confidentiality

Data collected under the GHGRP must be made available to the public unless the data qualify for CBI treatment under the CAA and EPA regulations. The CAA precludes “emission data” from being treated as confidential. For data reported under the CAA that are not emission data, the EPA typically makes CBI determinations under 40 CFR 2.301 on a case-by-case basis. Due to the large number of entities reporting under the GHGRP and the large number of data reporting elements, the EPA previously concluded that case-by-case determinations would not result in timely release of emission and other non-CBI data (see proposed CBI rule, 75 FR 39094, July 7, 2010 39094 and final CBI rule, May 26, 2011, 76 FR 30782). For this reason, the EPA has made CBI determinations for most data reporting elements through a series of rulemakings that specify which data reporting elements in Part 98: (1) are CBI, (2) are non-CBI, and (3) are emission data (i.e., ineligible for CBI protection). All data determined by the EPA to be CBI are safeguarded in accordance with regulations in 40 CFR Chapter 1, Part 2, Subpart B. The CBI determinations for subpart W data reporting elements (excluding data reporting elements used as inputs to emission calculations) were made in 77 FR 48072 (August 13, 2012), 79 FR 70352 (November 25, 2014), and 80 FR 64262 (October 22, 2015).

In the current action, the EPA is proposing confidentiality determinations for the nine new and substantially revised data elements contained in these proposed amendments.

3(g) Sensitive Questions

The proposed revisions to reporting or recordkeeping requirements do not include sensitive questions.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

The respondents in this information collection include owners and operators of petroleum and natural gas systems facilities that must report their GHG emissions to the EPA to comply with subpart W of Part 98. This section provides a list of industry sectors that must comply with the rule, the data elements required of program participants, and the activities in which participants must engage to collect, assess, calculate, and in some cases submit the required data elements.

4(a) Respondents/North American Industrial Classification System (NAICS) Codes

The revisions to Part 98 affect facilities subject to subpart W. Reporting facilities for subpart W include, but are not limited to, those operating one or more units that exceed the CO₂e threshold for the industry sectors listed below (and listed in Table A-3 of 40 CFR 98.2(a)(1)). Industry sectors are listed by NAICS code in Table 1. The NAICS codes are not exhaustive, but rather provide a list of facilities likely to be affected.

Table 1. NAICS codes for affected reporters

Part and Subpart	NAICS codes	
40 CFR Part 98		
W. Petroleum and Natural Gas Systems	486210	Pipeline transportation of natural gas.
	221210	Natural gas distribution.
	211111	Crude petroleum and natural gas extraction.
	211112	Natural gas liquid extraction.

4(b) Information Requested

(i) Data Items. The information proposed to be collected under the revisions includes nine new and substantially revised data elements. The data elements are: (1) the number of complete equipment leak surveys performed during the calendar year; (2) whether any equipment leak component types are subject to the NSPS subpart OOOOa; (3) whether you elected to report to subpart W using the equipment leak survey methodology; (4) the method(s) in 40 CFR 98.234(a)

used to conduct the leak survey; (5) component type; (6) the number of each type of component identified as leaking; (7) the average time each type of surveyed components are assumed to be leaking and operational; (8) annual CO₂ emissions by component type; and (9) annual CH₄ emissions by component type.

The final confidentiality determinations the EPA has previously made for the remainder of the subpart W data elements are unaffected by the proposed amendments and continue to apply. For information on confidentiality determinations for the GHGRP and subpart W data elements, see: 75 FR 39094, July 7, 2010; 76 FR 30782, May 26, 2011; 77 FR 48072, August 13, 2012; 79 FR 63750, October 24, 2014; 79 FR 70385, November 25, 2014; and 80 FR 64262, October 22, 2015.

(ii) Respondent Activities. These proposed amendments are expected to result in new respondent activities for facilities covered by subpart W. However, these respondent activities will only increase costs for facilities in two industry segments, Onshore Petroleum and Natural Gas Production and Onshore Petroleum and Natural Gas Gathering and Boosting. To accommodate the new methods and emission factors added by these proposed amendments, the EPA expects that each facility in these two industry segments would update the facility-specific calculation mechanism when and if the facility becomes subject to the NSPS subpart OOOOa.

These proposed amendments would not change the respondent activities already established under subpart W. The owner or operator of a facility that is subject to the subpart W reporting requirements must continue to report total annual GHG emissions. The primary tasks that reporting program respondents perform continue to include:

1. Implementing and updating, as necessary, appropriate monitoring plans for each affected source and each affected unit at a source, as applicable;
2. Conducting operation and maintenance activities associated with the monitoring, including quality assurance activities;
3. Ensuring data quality, preparing annual reports of emissions data, and submitting these reports to the EPA;
4. Potentially responding to questions or error messages from the EPA; and
5. Maintaining records for a minimum of 3 years.

Respondents that use CEMS also conduct tests to certify the operations of monitors, submit the results of these tests, and record emission data (this activity generally is performed electronically).

Reports must present the annual mass GHG emissions from each subpart W industry segment separately. Reporters are required to provide emissions in metric tons of methane (CH₄), CO₂, and nitrous oxide (N₂O) for some sources and in metric tons of CO₂e for other sources. The calculations used to determine GHG emissions, the frequency at which those calculations are required, and the methods used to estimate missing data depend on the specific subpart W industry segment.

(iii) Electronic Reporting. Respondents report all data electronically through the Electronic Greenhouse Gas Reporting Tool (e-GGRT). All new data elements would be reported in the same way. As the e-GGRT accounts are already established, the only burden related to electronic reporting would be entering the data elements.

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

5(a) Agency Activities

EPA Headquarters activities include the monitoring and verification of emission reports, database and software maintenance, communication and outreach, and program evaluation.

This ICR does not reflect an incremental agency burden for program operation activities related to the review of the proposed nine new and substantially revised data elements because this burden is expected to be insignificant when compared to the agency burden already established for subpart W activities.

5(b) Collection Methodology and Management

To collect data currently reported under the GHGRP, the EPA previously established a central repository of inventory data for all respondents called e-GGRT. Respondents report data electronically, and the EPA stores the data in the database. The e-GGRT system provides a user interface for entering the GHG data and also has an XML reporting schema that allows facilities to upload GHG data directly. Under the revisions to Part 98, facilities subject to subpart W listed in Section 4(a) would report the new and substantially revised data elements via e-GGRT.

The e-GGRT system follows agency standards for design, security, data element and reporting format conformance, and accessibility. The EPA designed the system to minimize respondents' burden by integrating the new reporting requirements with existing data collection and data management systems, when feasible.

5(c) Small Entity Flexibility

The EPA has determined that some small businesses would be affected by these proposed amendments because their production processes emit GHGs exceeding the reporting threshold. However, the EPA has determined that updating the facility-specific calculation mechanism when and if the facility becomes subject to the NSPS subpart OOOOa (an estimated cost of less

than \$200 per reporter) is not a significant increase. Therefore, these proposed amendments would not have a significant economic impact on a substantial number of small entities.

Although these proposed amendments would not have a significant economic impact on a substantial number of small entities, the EPA nonetheless has tried to reduce the impact of this rule on small entities. As part of the process of finalizing the subpart W 2010 final rule (75 FR 74458, November 30, 2010), the EPA took several steps to evaluate the effect of the rule on small entities. For example, the EPA determined appropriate thresholds that reduced the number of small businesses reporting. In addition, the EPA supports a “help desk” for the GHGRP, which would be available to answer questions on the provisions in this rulemaking. Finally, the rule includes a mechanism in 40 CFR 98.2 to allow facilities and suppliers that report less than 25,000 metric tons of CO₂e/year for 5 years or less than 15,000 metric tons CO₂e/year for 3 years to cease annual reporting to the EPA.

5(d) Collection Schedule

All data elements, including existing, new, and substantially revised elements, under this information collection would be submitted on an annual basis as part of the respondent’s annual report required under Part 98.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

This section presents the EPA's estimates of the burden and costs to respondents associated with the activities described in Section 4 as well as the agency burden hours and costs associated with the activities described in Section 5(a). Section 6(a) provides estimates of burden (hours) for all respondent types. Section 6(b) contains estimates of respondent costs for the information collection. Section 6(c) summarizes federal burden and costs. Section 6(d) describes the respondent universe and the total burden and cost of this collection to respondents. Section 6(e) presents the bottom line burden and cost. Section 6(f) provides reasons for any change in burden. The burden statement for this information collection is in Section 6(g).

6(a) Estimating Respondent Burden

The EPA estimates that the total respondent burden to all affected subpart W entities would be approximately 183,000 hours over the 3 years covered by this information collection. Exhibit 6.1 presents aggregate burden hours by subpart W industry segment.

The information collection related to these proposed amendments would result in an overall increase in annual burden of 502 hours. For details of the EPA's burden calculations, please see Appendix A. This increase is split between two subpart W industry segments as shown in Exhibit 6.2, which presents the change in burden by subpart W industry segment.

6(b) Estimating Respondent Costs

The EPA estimates that the total annual cost to all affected non-federal entities would be approximately \$28.1 million over the 3 years covered by this information collection. Exhibit 6.1 presents aggregate costs and costs by subpart W industry segment.

The information collection related to the proposed amendments would result in an increase in annual costs of approximately \$50,000. For details of the EPA's cost calculations, please see Appendix A. This increase is split between the two subpart W industry segments as shown in Exhibit 6.2.

(i) Estimating Labor Costs. Costs to respondents associated with this information collection include the cost of labor by facility staff to meet the rule's information collection

requirements. To calculate labor costs, the EPA used labor rates classified according to the 2010 Standard Occupational Classification (SOC) system from the Bureau of Labor Statistics (BLS). For all subpart W industry segments, the labor rate derivations are based on second quarter 2014 dollars, as shown in Table 2. The labor rates for this ICR are: \$129.83 for senior managers, \$118.86 for middle managers, \$99.18 for engineers, and \$52.84 for technicians.

Table 2. Labor Rate Derivations

Labor Category	Wage and Salaries (2014\$ Q2)^a	SOC Code	Benefits Loading Factor^b	Overhead Loading Factor^c	Loaded Labor Rate (2014\$ Q2)^d
Engineer	\$61.26	17-2112	0.4489	0.17	\$99.18
Technician	\$32.64	17-3024	0.4489	0.17	\$52.84
Middle manager	\$73.19	11-3051	0.4539	0.17	\$118.86
Senior manager	\$78.55	11-1021	0.4829	0.17	\$129.83

^a The base hourly wages & salaries (not including benefits & overhead) are from BLS's May 2014 National Industry-Specific Occupational Employment and Wage Estimates (<http://www.bls.gov/oes/current/oesrci.htm>).

^b From BLS's ECEC (<http://www.bls.gov/ect/home.htm>) for June of 2014, Table 2, using the ratio of wages and benefits to calculate the loading factor. For Technical, Engineers, and Technicians, used "Professional and related." For Managerial, Middle Manager, and Senior Manager, used "Management, business, and financial."

^c The overhead loading factor is from Rice, Cody 2002. "Wage Rates for Economic Analyses of the Toxics Release Inventory Program," Analytical Support Branch, Environmental Analysis Division, Office of Environmental Information, U.S. EPA, June 10, 2002.

^d The loaded hourly rate = Wages & Salaries + (Wages & Salaries * Benefits Loading Factor) + (Wages & Salaries * Overhead Loading Factor).

Burden estimates related to these proposed amendments were calculated by assigning a level of effort of 2 hours to an Engineer to update the facility-specific calculation mechanism to accommodate the new methods and emission factors. Therefore, the estimated cost per reporter is \$198.36.

For details of the burden calculations, please see Appendix A.

No other changes are proposed to be made to the existing burden estimates established by ICR Number 2300.17 (80 FR 68534; November 5, 2015).

(ii) Estimating Capital and Operations and Maintenance (O&M) Costs. These proposed amendments to subpart W would not impact the capital and O&M costs required to comply with the monitoring, recordkeeping, and reporting of emissions within this rule.

No changes are proposed to be made to the existing capital and O&M costs established by ICR Number 2300.17 (80 FR 68534; November 5, 2015).

Exhibit 6.1 Annual Average Respondent Burden and Cost for Subpart W of the GHGRP

Subpart W Industry Segment	No. Respondents	Total Responses	Total Burden (hrs)	Total Labor Cost	Capital Cost	O&M Cost	Total Cost
Onshore Natural Gas Transmission Pipelines	183	366	5,490	\$580,852	\$107,117	\$0	\$687,968
Onshore Petroleum and Natural Gas Gathering and Boosting	200	3,400	11,560	\$1,206,203	\$141,457	\$1,709,600	\$3,057,259
Onshore Natural Gas Processing	435	6,960	14,740	\$1,605,142	\$266,938	\$1,601,105	\$3,473,185
Onshore Natural Gas Transmission Compression	487	4,870	16,982	\$1,834,787	\$359,397	\$1,100,000	\$3,294,185
Underground Natural Gas Storage	50	350	1,611	\$176,080	\$26,926	\$107,500	\$310,506
LNG Import and Export Equipment	8	56	263	\$27,919	\$5,268	\$20,000	\$53,187
Onshore Petroleum and Natural Gas Production	553	16,640	125,423	\$12,581,268	\$216,916	\$3,557,285	\$16,355,470
Natural Gas Distribution	175	525	5,506	\$574,417	\$0	\$275,000	\$849,417
LNG Storage	5	30	153	\$16,113	\$585	\$7,500	\$24,199
Offshore Petroleum and Natural Gas Production	107	214	1,794	\$25,157	\$0	\$0	\$25,157
TOTAL	2,203	33,411	183,523	\$18,627,939	\$1,124,604	\$8,377,990	\$28,130,534

Exhibit 6.2 Annual Average Change in Respondent Burden and Cost for Subpart W of the GHGRP

Subpart W Industry Segment	Annual Change In Total Burden (Technical Labor Hours)	Annual Change in Burden (Technical Labor Hours/Respondent)	Annual Change In Total Cost	Annual Change in Cost (\$/Respondent)^k
Onshore Natural Gas Transmission Pipelines ^a	0	0.00	\$0	\$0
Onshore Petroleum and Natural Gas Gathering and Boosting ^b	134	2.00	\$13,290	\$198
Onshore Natural Gas Processing ^c	0	0.00	\$0	\$0
Onshore Natural Gas Transmission Compression ^d	0	0.00	\$0	\$0
Underground Natural Gas Storage ^e	0	0.00	\$0	\$0
LNG Import and Export Equipment ^f	0	0.00	\$0	\$0
Onshore Petroleum and Natural Gas Production ^g	368	2.00	\$36,498	\$198
Natural Gas Distribution ^h	0	0.00	\$0	\$0
LNG Storage ⁱ	0	0.00	\$0	\$0
Offshore Petroleum and Natural Gas Production ^j	0	0.00	\$0	\$0
TOTAL	502	2.00	\$49,788	\$198

^a For Onshore Natural Gas Transmission Pipelines, the technical labor hour burden and costs are expected to remain the same.

^b For Onshore Petroleum and Natural Gas Gathering and Boosting, the technical labor hour burden increased from 11,427 hours to 11,561 hours, which increased the total cost from \$3,044,035 to \$3,057,326.

^c For Onshore Natural Gas Processing, the technical labor hour burden and costs are expected to remain the same.

^d For Onshore Natural Gas Transmission Compression, the technical labor hour burden and costs are expected to remain the same.

^e For Underground Natural Gas Storage, the technical labor hour burden and costs are expected to remain the same.

^f For LNG Import and Export Equipment, the technical labor hour burden and costs are expected to remain the same.

^g For Onshore Petroleum and Natural Gas Production, the technical labor hour burden increased from 125,054 hours to 125,422 hours, which increased the total cost from \$16,318,905 to \$16,355,404.

^h For Natural Gas Distribution, the technical labor hour burden and costs are expected to remain the same.

ⁱ For LNG Storage, the technical labor hour burden and costs are expected to remain the same.

^j For Offshore Petroleum and Natural Gas Production, the technical labor hour burden and costs are expected to remain the same.

^k Assuming that one-third of the existing respondents comply in each year of the 3-year ICR period.

6(c) Estimating Agency Burden and Cost

This section describes the burden and cost to the federal government associated with this information collection. Federal activities under this information collection include EPA Headquarters oversight of the reporting program.

The EPA activities associated with the mandatory GHG reporting rule include Headquarters oversight and implementation of the reporting program, e.g., monitoring and verification of emission reports, database and software maintenance, communication and outreach, and program evaluation. These proposed amendments are not expected to increase the current overall agency burden. Therefore, the incremental agency cost for these proposed amendments is 0 hours and \$0.

To develop the EPA labor costs related to the implementation of subpart W under the GHGRP, the EPA updated the average hourly labor rate for salary and overhead and benefits for agency staff to be \$53.42 per hour. To derive this figure, the EPA multiplied the hourly compensation at GS-12, Step 5 on the 2015 GS pay scale (\$33.39) by the standard government benefits multiplication factor of 1.6 to account for overhead and benefits.¹ The total annual burden and cost to the agency is 10,400 hours and \$555,610.

Exhibit 6.3 Annual Agency Burden and Cost for Subpart W

Information Collection Activity	Annual Responses	Total Annual Burden	Labor Cost	Non-Labor Cost	Total Annual Cost
Petroleum and Natural Gas Systems	1	10,400	\$555,610	\$0	\$555,610
TOTAL	1	10,400	\$555,610	\$0	\$555,610

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

The number of respondents in each subpart W industry sector that would be expected to perform the activities under this information collection is presented in Exhibit 6.1.

¹ http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2015/GS_h.pdf

6(e) Bottom Line Burden Hours and Costs/Master Tables

The bottom line burden hours and costs are shown in Exhibit 6.4.

Exhibit 6.4 Bottom Line Annual Burden and Cost

Number of Respondents	2,203	From Exhibit 6.1
Total Annual Responses	33,411	From Exhibit 6.1
Number of Responses per Respondent	15.2	Total annual responses from above ÷ Total respondents from above
Total Respondent Hours	183,523	From Exhibit 6.1
Hours per Respondent	83.3	Total annual hours from above ÷ Total respondents from above
Annual Labor Cost	\$18,627,939	From Exhibit 6.1
Annual O&M and Capital Cost	\$9,502,594	From Exhibit 6.1
Total Respondent Cost (labor + non)	\$28,130,534	From Exhibit 6.1
Total Agency Hours	10,400	From Exhibit 6.3
Total Agency Costs	\$555,610	From Exhibit 6.3
Total Hours (Respondents and Agency)	193,923	Total respondent hours from above + Total EPA hours
Total Cost (Respondents and Agency)	\$28,686,143	Total respondent cost from above + Total EPA costs

Note: Detail may not add exactly to total due to independent rounding.

6(f) Reasons for Change in Burden

This rule would result in an overall increase in annual burden of 502 hours and approximately \$50,000. These proposed amendments would impose an increase in burden and costs due to the EPA's revisions to subpart W of Part 98 to add methods and emission factors related to emission leaks.

6(g) Burden Statement

The incremental respondent reporting burden for these proposed amendments is estimated to average 502 hours and \$49,788 per year for a 3-year period, where identical annual costs are anticipated for all 3 years. The incremental average annual burden to the EPA for this period is estimated to be 0 hours and \$0 for oversight activities. The annual respondent reporting and recordkeeping burden for this proposed collection of information is estimated to average 2.0 hours per respondent.

The respondent reporting burden for this collection of information is estimated to average 183,500 hours and \$28.1 million per year for a 3-year period, where identical annual costs are anticipated for all 3 years. The average annual burden to the EPA for this period is estimated to

be 10,400 hours and \$555,610 for oversight activities, where identical annual costs are anticipated for all 3 years. The annual respondent reporting and recordkeeping burden for this collection of information is estimated to average 83.3 hours per respondent.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a federal agency. This includes the time needed to review instructions; develop, acquire, install and utilize technology and systems for the purposes of collecting, validating and verifying information, processing and maintaining information and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for the EPA's regulations are listed in 40 CFR part 9.

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 No. EPA-HQ-OAR-2015-0764, which is available for online viewing at <http://www.regulations.gov/>, or in person viewing at the Air and Radiation docket in the EPA Docket Center (EPA/DC), William Jefferson Clinton Federal Building - West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation docket is (202) 566-1742. An electronic version of the public docket is available at <http://www.regulations.gov>. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA

Docket ID Number EPA-HQ-OAR-2015-0764 and OMB Control Number 2060-0629 on any correspondence.

Part B of the Supporting Statement

This section is not applicable because statistical methods are not used in data collection associated with the proposed amendments.

**Appendix A:
Recordkeeping and Reporting Requirements for Leak Detection Methodology
Revisions and Confidentiality Determinations for Petroleum and Natural Gas
Systems (40 CFR part 98, Subpart W)**

Dated January 2016

Respondent Burden for Years 1 through 3

Year 1 through Year 3 Incremental Costs Due to Proposed Amendments	(A) Hours per Occurrence	(B) Occurrences/ Respondents/ Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(E) Engineer Hours/Year (C x D)	Technician Hours/ Year	Middle Manager Hours/ Year	Senior Manager Hours/Year	Cost/ Year ^a
1. APPLICATIONS (Not Applicable)									
2. SURVEY AND STUDIES (Not Applicable)									
3. ACQUISITION, INSTALLATION, AND UTILIZATION OF TECHNOLOGY AND SYSTEMS									
4. REPORT REQUIREMENTS									
A. Read Rule, Instructions, Guidance Documents									
Onshore Petroleum and Natural Gas Gathering and Boosting reporters ^{b,c}	0.00	0	0.00	200	0				\$0
Onshore Petroleum and Natural Gas Production reporters ^{b,d}	0.00	0	0.00	553	0				\$0
B. Required Activities									
C. Create Information (Included in 4B)									
D. Gather Existing Information (Included in 4E)									
E. Write Report									
Annual Compliance Reporting through e-GGRT ^b	0.00	0	0.00	0	0				\$0
5. RECORDKEEPING REQUIREMENTS									
A. Read Instructions (Included in 4A)									
B. Plan Activities (Included in 4B)									
C. Implement Activities (Included in 4B)									
D. Recordkeeping and Associated Calculations^b	0.00	0	0.00	0	0				\$0
Time to update facility-specific calculation mechanism (i.e., calculation spreadsheet, recordkeeping database, etc.) to allow for use of new leaker factors ^e	2.00	1.0	2.00	251	502.0				\$49,788
E. Time to Transmit or Disclose									

Information (included in 4E)									
F. Time to Train Personnel (Not Applicable)									
G. Time for Audits (Not Applicable)									
TOTAL ANNUAL LABOR BURDEN AND COST					502.0				\$49,788

^a Costs are calculated by multiplying the number of hours by the appropriate hourly labor rate. For these proposed amendments, only Engineer hours were estimated.

^b These activities are already included in the Subpart W burden according to ICR Number 2300.17 (80 FR 68534; November 5, 2015). These proposed amendments would not impact the burden or cost associated with these activities.

^c There are 200 existing facilities in the Onshore Petroleum and Natural Gas Gathering and Boosting industry segment.

^d There are 553 existing facilities in the Onshore Petroleum and Natural Gas Production industry segment.

^e Assuming that one-third would comply in each year of the 3-years ICR period, there would be 251 respondents per year. $[(200 + 553) / 3 = 251]$