EPA # 2537.02

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title of the Information Collection Request (ICR)

Accidental Release Prevention Requirements: Risk Management Programs under the Clean Air Act (Final Rule)

EPA ICR No. 2537.02, Office of Management and Budget (OMB) No. 2050-0216.

1(b) Short Characterization

This ICR amends a previously approved ICR (1656.15), OMB Control No. 2050-0144. That ICR covers the Risk Management Program rule, originally promulgated on June 20, 1996; the current rule, including previous amendments, is codified as 40 Code of Federal Regulations (CFR) part 68. This 2537.02 package represents the new information collection requirements imposed by the rule and does not embody the past 1656.15 collection.

Part 68 provides a tiering approach of the regulatory requirements to take into consideration differences between various types and classes of stationary sources (also referred to as "sources" or "facilities") as well as the risk posed by the different sources. The regulatory program consists of three tiers with sources being classified into program tiers based on the degree of risk posed by potential accidental releases and coverage by the Occupational Safety and Health Administration (OSHA)'s Process Safety Management (PSM) standard. Sources with covered processes classified as Program 1 (P1) pose less risk and face minimal compliance requirements. Sources with covered processes classified as Program 2 (P2) must implement a streamlined list of prevention program requirements. Sources with covered processes classified in Program 3 (P3) must complete a prevention program nearly identical to that required by the OSHA PSM Standard (29 CFR 1910.119). The rule also imposes emergency response program requirements only on facilities that use their own employees and resources to respond in whole or in part to releases of regulated substances.

This ICR addresses the following information requirements associated with the rule:

Improve information availability (applies to all facilities)

1. Make certain information related to the risk management program available to the public upon request.
2. Hold a public meeting within 90 days of an accident subject to reporting under §68.42 (i.e., an RMP reportable accident).

Revise accident prevention program requirements (applies to P2 and P3 facilities unless otherwise specified)

3. Hire a third party to conduct the compliance audit after an RMP reportable accident or after an implementing agency determines that conditions at the stationary source could lead to an accidental release of a regulated substance or identifies problems with the prior third-party audit.
4. Conduct and document a root cause analysis after an RMP reportable accident or a near miss.
5. Conduct and document a safer technology and alternatives analysis (STAA) for a subset of Program 3 facilities in North American Industrial Classification System (NAICS) codes 322 (paper manufacturing), 324 (petroleum and coal products manufacturing), and 325 (chemical manufacturing).

Improve emergency preparedness (applies to P2 and P3 facilities)

6. Meet and coordinate with local responders annually to exchange emergency response planning information.
7. Conduct an annual notification drill to verify emergency contact information.
8. Responding facilities conduct and document emergency response exercises including:
    a. A field exercise at least every ten years, and
    b. A tabletop exercise at least every three years.

2. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

Information collection for on-site documentation is authorized by CAA sections 112(r)(7)(B)(i) and (ii), which state that "The Administrator shall promulgate reasonable regulations and appropriate guidance to provide ... for the prevention and detection of accidental releases of regulated substances...." and "The regulations ... shall require the owner or operator ... to prepare and implement a risk management plan to detect and prevent or minimize accidental releases..." Information collection for submitting a Risk Management Plan (RMP) is authorized under CAA section 112(r)(7)(B)(iii), which states in relevant part that "The owner or operator of each stationary source ... shall register a risk management plan...with the Administrator before the effective date of the regulations ... in such form and manner as the Administrator shall, by rule, require ... and shall be available to the public under section 114(c)." Information collection for on-site documentation and submittal of RMPs is also authorized by CAA 114(a)(1). State and local authorities use the information in RMPs to modify and enhance their community response plans. The agencies implementing the Risk Management Program rule use RMPs to evaluate compliance with part 68 and to identify sources for inspection because they may pose significant risks to the community. Citizens may use the information to assess and address chemical hazards in their communities and to respond appropriately in the event of a release of a regulated substance.

2(b) Use/Users of the Data

Risk Management Plans/Public Information. The information collected in the RMP is critical for assisting government agencies in assessing the quality and thoroughness of a source's hazard assessment, prevention program, and emergency response program. The information is also used by state and local emergency planners to prepare or modify community response plans; to identify hazards to the community; and to provide a basis for working with sources to prevent accidents. The public uses the information to understand the risks posed by accidental releases and to respond to warnings and advice should a release occur.

Risk Management Programs. Documenting Risk Management Program implementation is necessary to assist government agencies in determining whether a source has complied with the regulations. In some cases (e.g., safety information and operating procedures), the documentation is a critical requirement of the rule and provides the basis for other rule elements. The documentation is also important to provide a basis for the facility's ability to ensure implementation (e.g., training and maintenance records), to audit compliance, and to review past activities. Furthermore, records of past analyses can limit the burden of updates by reducing the need to repeat analyses for elements that are unchanged since the previous review.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

3(a) Nonduplication

RMPs. Some sources may have submitted information to EPA Headquarters or the Regions under other regulations (e.g., Form R or Resource Conservation and Recovery Act (RCRA) Biennial Reports) that appears similar to the information requested in the registration form under these regulations.

However, not all of the information in the RMP registration section, and almost none of the information in the prevention program and hazard assessment sections of the RMP are submitted to EPA under other regulations. The Emergency Planning and Community Right-to-Know Act (EPCRA) Section 312 Tier II forms, include some information similar to that in the RMP registration form, but are submitted only to states and local planning authorities, not EPA. Therefore, for EPA to best comply with the Act, it is most beneficial if the information requested for registration is submitted in a concise and organized format, along with prevention program, hazard assessment, and emergency response program information, using the RMP form.

Public Information. Most of the information that facilities would be required to make available to the public is part of the RMP or required to be available to employees under OSHA standards. Some of the information is also available on the Internet through non-governmental websites, though not in a single location. The information relating to emergency response exercises is new information associated with new requirements for exercises.

***Confidential Business Information (CBI)*.** Some sources may have submitted substantiation of CBI claims for chemical identity or other information to EPA Headquarters or the Regions under other regulations that is similar to the information requested under these regulations. For EPA to best comply with the Act and most effectively evaluate such claims, it is most beneficial if the CBI substantiation accompanies the submission of the RMP.

3(b) Consultations

EPA published a request for information (RFI) on potential regulatory amendments on July 31, 2014 (79 FR 44604). EPA received a total of 579 public comments on the RFI. EPA published a Notice of Proposed Rulemaking on March 14, 2016 (81 FR 13637). EPA received a total of 61,555 public comments on the proposed rule. Several public comments were the result of various mass mail campaigns and contained numerous copies of letters or petition signatures. Approximately 61,306 letters and signatures were contained in these several comments. The remaining comments include 235 submissions with unique content, 10 duplicate submissions, and 4 non-germane submissions. EPA also hosted a public hearing on March 29, 2016 to provide interested parties the opportunity to present data, views or arguments concerning the proposed action. EPA received 8 written comments and had 22 members of the public provide verbal comments at the public hearing.

EPA received several comments on the ICR for the proposed rule. These comments generally stated that EPA had underestimated information collection burden associated with the proposed rule. Some commenters provided alternate estimates of information collection burden for various provisions. EPA considered these comments, and made significant adjustments to the information collection burden estimate for the final rule. EPA's responses to specific comments on the ICR for the proposed rule are contained in the Summary and Response to Comments document for the final rule, which is available in docket number EPA-HQ-OEM-2015-0725.

3(c) Public Notice

The proposed rule was published on March 14, 2016 at 81 FR 13638. In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), EPA will notify the public through a Federal Register notice of the final rule.

3(d) Effects of Less Frequent Collection

Sources are required to register and submit an RMP only once every five years unless there are significant changes in the information provided. There is a statutory requirement for sources to register, submit, and update an RMP. Under the final rule, information will be made available to the public annually, but if the basic information does not change, little or no effort will be required to update it.

Coordination with the local responders will occur annually; less frequent coordination may result in new responders being unaware of hazards at the facility and current responders being uninformed about changes at the facility. Owners and operators of facilities with Program 2 and 3 processes will conduct notification exercises annually. For responding facilities, table top and field exercises will occur at least once every three and ten years respectively. Less frequent exercises may result in outdated emergency response contact information, personnel unacquainted with emergency response requirements, and poor response capability at the time of an accidental release.

3(e) General Guidelines

CAA section 112(r)(7)(B)(iii) requires that sources update their RMPs periodically. To maintain consistency with OSHA PSM requirements, the Risk Management Program rule requires sources to update process hazard analyses (PHA) and hazard assessments every five years. Thus, sources are required to maintain such documentation for five years (and in the case of the PHA, for the life of the covered process), which is greater than the three years specified in OMB's general guidelines.

3(f) Confidentiality and Sensitive Questions

(i) Confidentiality

Some of the elements mandated in the Risk Management Program rule may require the submittal of data viewed as proprietary, trade secret, or confidential. As described above, EPA has adopted procedures for sources to claim certain information as CBI.

(ii) Sensitive Questions

No questions of a sensitive nature are included in any of the information collection requirements. The information submitted in an RMP includes information on a source's hazard assessment, prevention program, and emergency response program, and the information submitted in support of a petition to modify the list of regulated substances includes toxicity data and accident history data. The ICR under the EPA rulemaking is in compliance with the Privacy Act of 1974 and OMB Circular A-108.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

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

Risk Management Programs and Plans

The accidental release prevention program under the CAA was developed for stationary sources that manufacture, react, mix, store, or use regulated substances in processes that require equipment designed, constructed, installed, operated, or maintained in specific ways to prevent accidental releases and ensure safe operations. The CAA requires sources to comply with the regulations if they have more than a threshold quantity of a listed regulated substance in a process. Based on submissions of RMPs, the rule applies to manufacturers (i.e., sources categorized in NAICS codes 31-33) as well as some non-manufacturers, including federal sources, utilities (NAICS code 221: electric utilities, drinking water systems, wastewater treatment works), warehouses, large ammonia refrigeration systems (e.g., food processors and distributors), wholesalers, ammonia retailers, gas processors, and others.

As of December 2015, approximately 12,500 sources are currently subject to 40 CFR part 68 requirements. All sources will be respondents for one or more of the provisions of the final rule.

4(b) Information Requested

Data requirements and respondent activities will vary by program level and NAICS code. P1

sources will require the least amount of data and time from respondents, while P3 sources in NAICS 322 (paper manufacturing), 324 (petroleum and coal products manufacturing), and 325 (chemical manufacturing) will have the most requirements. Responding facilities (i.e., those that must comply with the emergency response program requirements of §68.95) will incur higher burdens than those that rely on public responders.

(i) Data Items

All sources will need to become familiar with the final rule and provide information to the public. All P2 and P3 sources will be required to meet with public response agencies to coordinate emergency response plans and would have to conduct an exercise to check the information on their emergency notification lists annually. Sources will be required to hold a public meeting within 90 days of any RMP-reportable accident. Sources that experience an RMP reportable accident will also need to conduct and document a root cause analysis and hire a third party to conduct the next scheduled compliance audit. Sources that experience a near miss are required to conduct and document an incident investigation—required under current regulations but often not implemented—and would be required to conduct a root cause analysis. Responding sources will be required to conduct and document emergency response tabletop exercises at least every three years and field exercises at least every ten years. The P3 sources with processes in NAICS 322, 324, and 325 will be required to conduct and document a STAA as part of the PHA (once every 5 years).

(ii) Respondent Activities

Rule Familiarization

All sources are expected to spend time to read and understand the new requirements when the rule is promulgated.

Prevention Program Activities

Third-Party Audits. P2 and P3 sources that have an RMP reportable accident will be required to hire a third party to conduct the next compliance audit. An owner or operator must also perform a third-party audit when an implementing agency determines that conditions at the stationary source could lead to an accidental release of a regulated substance or when a previous third-party audit failed to meet the competency or independence criteria specified in the rule. The burden for source staff to prepare for and support the auditor is covered in the existing ICR for Part 68. The burden for staff to draft a contract with an auditor is accounted for in this ICR. In addition, this ICR includes the actual contract value with the third-party auditor.

Root Cause and Near Miss Investigations. P2 and P3 sources that have an RMP reportable accident will be required to conduct a root cause analysis as part of the incident investigation already required by Part 68. Sources that experience a near miss are required to conduct and document an incident investigation—required under current regulations but often not implemented—and will be required to conduct a root cause analysis and document findings and actions taken in response to findings. Some sources will need to hire an expert trained in the root cause analysis methodology to conduct these analyses.

STAA. P3 sources in NAICS 322, 324, and 325 will be required to conduct a STAA and assess the practicability of implementing any inherently safer technologies considered as part of their process hazard analysis every 5 years. Sources will be required to document the analyses and practicability determinations.

Emergency Response Activities

Coordination Activities. All P2 and P3 sources will be required to coordinate with local response agencies annually to share information and coordinate emergency response plans.

Notification Drills. All P2 and P3 sources will be required to conduct a notification exercise annually to verify the accuracy of the contact information on the emergency notification lists (e.g., local responders, State and Federal agencies, mutual aid groups) to ensure that the information is current and correct.

Emergency Response Exercises. All P2 and P3 responding facilities will be required to plan for and conduct emergency response tabletop and field exercises, including developing any materials that the response team will use, carrying out the exercise, documenting lessons learned and recommendations in an exercise report, and documenting a schedule to resolve recommendations. Tabletop exercises will be required to be conducted at least every three years, and field exercises will be required to be conducted at least every ten years.

Information Disclosure Activities

Disclosure to the Public. All sources will be required to collect basic chemical hazard information (mostly from the RMP) and safety data sheets used to inform employees of hazards, notify the public through websites, social media platforms, or through other publically accessible means that the specified information is available, and provide it to the public upon request.

Public Meeting. Sources will be required to hold a public meeting within 90-days of any RMP-reportable accident.

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

5(a) Federal, State, and Local Government Activities

Burden to State and Local Agencies and Others

Local responders will incur some burden for rule familiarization and to review information submitted to them by regulated sources. Also, 14 State and local agencies that have received a delegation of authority from EPA to oversee implementation of 40 CFR part 68 requirements in their jurisdiction will incur a burden for rule familiarization. The burden for these activities is accounted for in section 6(a) of this ICR.

Burden to the Federal Government

EPA is not expected to incur any additional burden as a result of the final rule (see section 6(c) for additional discussion).

5(b) Collection Methodology and Management

The final rule does not dictate how information must be provided or maintained. Sources may create and maintain required information electronically.

5(c) Small Entity Flexibility

The burden of the final rule requirements generally increases as the size and complexity of the covered source increases, but the final rule does not specifically provide relief for small entities. The existing rule, which the final rule will modify, already includes several measures to reduce the burden to small entities. For example, EPA has developed industry-specific guidance documents to help smaller sources comply with the rule, and these documents will be updated to incorporate any provisions of the

final rule.

Also, the RMP online reporting system (RMP*eSubmit) reduces burden for small entities since the information reported is easily available to make any changes and resubmit online rather than printing and/or mailing information with changes.

5(d) Collection Schedule

The information provided would vary based on the provision.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

The unit burden applied to various sectors is based on the size of the sources and on the number and complexity of the processes at the sources in each sector.

6(a) Respondent Burden

This section provides estimates of the respondent hourly burden associated with the information collection requirements covered in this ICR. The section includes burden hours by labor type per respondent, as well as the overall burden hours for all respondents.

Respondent Burden for Rule Familiarization

EPA assumes that RMP facility staff will require some time to review the final rule and determine which provisions apply to the facility. The time required for this review will be limited because most of the final provisions amend current requirements as opposed to introducing completely new provisions. Many of the provisions are straightforward, such as those regarding public disclosure. Others apply only after an RMP reportable accident or near miss, such as root cause analysis; relatively few facilities have reportable releases or near misses. Still others, such as the safer technology alternatives analysis, are expected to take time to understand. This analysis assumes that rule familiarization will only occur in year 1.

Each facility type is not expected to incur the same burden in reviewing and becoming familiar with the final rule. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the total number of affected facilities to calculate the total labor burden of becoming familiar with the rule.

Exhibit 6-1 presents the estimates of respondent burden (in hours) for rule familiarization.

Exhibit 6-1: Rule Familiarization (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
Simple	10,920	4	0	0	0	0	43,680
P1 and 2 Complex	133	4	0	0	0	0	532
P3 Complex	1,489	20	48	12	87	125	434,788
Local Government	1,724	5	0	0	0	0	8,620
Implementing Agencies	14	4	0	0	0	0	56
Total	**14,280**						**487,676**

Respondent Burden for Third-Party Audits

The third-party compliance audit provision of the final rule requires facilities that have had RMP reportable accidents to contract with an independent third party to conduct the audit. The final rule also requires the owner or operator to perform a third-party audit when an implementing agency determines that conditions at the stationary source could lead to an accidental release of a regulated substance or when a previous third-party audit failed to meet the competency or independence criteria specified in the rule. The provision will impose the requirement for a third-party auditor only on P2 or P3 facilities that had a reportable accidental release. These facilities will be required to contract with a third party for their next scheduled compliance audit. Accident numbers are based on the RMP data from RMP reportable accidents and are estimated based on the 10-year annual average. The RMP database contains data on accidents that have had reportable impacts but also those without reportable impacts. Since this provision does not require third-party audits for accidents without reportable impacts, EPA deducted the number of accidents with no impacts from the total number of accidents in the RMP database. EPA also deducted the small number of accidents that occurred at P1 facilities, as the provision only applies to P2 and P3 facilities. The analysis projects that the annual number and distribution of accidents among types of facilities will remain the same and that in any one year, the number of facilities conducting a third-party audit will be equal to the number of accidents. That is, although the approximately 148 third-party audits for the P2 and P3 facilities that have a reportable release in 2016 may occur up to 3 years after the releases—depending on when the previous audit occurred—the analysis projects that over time, about 148 facilities would conduct such an audit each year.

The analysis projects that management time will be devoted to identifying auditors, selecting an auditor, and contracting with that entity for third-party audit services. At a minimum, one manager and one engineer will be involved to identify potential auditors and write the statement of work on which the auditor will base its bid. For larger firms that routinely contract and have contract departments, a contracts specialist and attorney will likely be part of the process.

Each facility type is not expected to incur the same burden in finding, hiring, and overseeing contractors to complete a third-party audit. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the total number of affected facilities (accidents) to calculate the total labor burden of complying with the third-party audit provision.

Exhibit 6-2 presents the estimates of respondent burden (in hours) for third-party audits.

Exhibit 6-2: Third-Party Audits (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
Simple <20 FTE	18	64	0	8	0	0	1,296
Simple 20-99 FTE	15	88	0	8	36	0	1,980
Simple 100+ FTE	40	60	0	8	112	0	7,200
Complex < 20	3	64	0	8	0	0	216
Complex 20-99	13	88	0	8	36	0	1,716
Complex 100+	52	60	0	8	112	0	9,360
Small Government	3	60	0	0	50	0	330
Large Government	4	120	0	0	78	0	792
Total	**148**						**22,890**

Respondent Burden for Incident Investigation and Root Cause Analysis

The incident investigation and root cause analysis provision requires that facilities in P2 and P3 program levels that have had an RMP reportable accident or near miss incident conduct a root cause analysis as part of their accident investigation to determine the underlying reasons for the (near) failure. A root cause analysis is a structured process led by a person trained in the methodology. The time required may vary considerably based on the complexity of the processes involved. Management time is expected to be devoted primarily to decisions concerning resolution of corrective actions arising from the investigation, and these activities should require roughly the same amount of time whether corrective actions relate to root causes or other contributing causes. For simple facilities, additional, non-management, labor for root cause analyses was assumed to be evenly distributed between production staff and engineers. For complex facilities, in addition to management, it was estimated that due to the facility's size and complexity, several attorney hours would be required, along with the acknowledgment of corporate management. It was also estimated that multiple hours of engineering and production staff would be required to conduct the analysis.

Each facility type is not expected to incur the same burden in responding to an incident. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-3 presents the estimates of respondent burden (in hours) for incident investigation and root cause analysis.

Exhibit 6-3: Incident Investigation and Root Cause Analysis (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
P2 Near Miss - simple	18	6	0	0	4	4	252
P2 Near Miss - complex	0	68	0.5	6	30	28	0
P3 Near Miss - simple	63	6	0	0	4	4	882
P3 Near Miss - complex	68	68	0.5	6	30	28	9,010
P2 Accidents - simple	18	6	0	0	4	4	252
P2 Accidents - complex	0	68	0.5	6	30	28	0
P3 Accidents - simple	63	6	0	0	4	4	882
P3 Accidents - complex	68	68	0.5	6	30	28	9,010
Total	**298***						**20,288**

* Total number of facilities may not sum to twice the total of the number of facilities in the third-party audit provision, due to rounding of the number of P2 accidents and near misses.

Respondent Burden for STAA

The STAA provision requires facilities with P3 processes in NAICS codes 322, 324, and 325 to conduct an STAA as part of their process hazard analysis (PHA), which occurs every 5 years. STAA is generally a process in which facility staff analyze their current processes and practices to determine if there are safer alternatives to their current operating practice. This can range from small changes—such as upgrading valves—to large shifts, such as substituting less toxic or volatile chemicals.

The STAA provision includes a requirement for facilities to conduct both an initial analysis and a practicability study. The practicability study is intended to be based on the results of the initial analysis. An initial analysis is required of all facility processes. EPA believes that some facilities may already have conducted such analyses, but has taken the conservative approach of assuming that all facilities subject to the STAA provision will conduct them as a result of the final rule. Following the initial analysis, a practicability assessment must be conducted for any inherently safer alternatives considered. EPA expects a practicability assessment to occur only when warranted by the outcomes of an initial analysis; that is, only if the initial analysis suggests an inherently safer alternative is worth further consideration and study. EPA also anticipates that some facilities will conduct practicability studies to address alternatives considered in multiple initial analyses. As a consequence, some complex firms are assumed to conduct practicability studies that address up to 12 different alternatives. For a description of the number and types of practicability studies that form the basis of EPA's cost estimate, please see Appendix D of the RIA.

The estimated labor hours for the initial analysis assume that facilitator and scribe labor costs as well as facility team and management participation increase with process complexity. Facilities in NAICS 322, 324, and 325 are expected to have staff qualified to conduct the analysis in-house. All other

facilities are expected to hire a consultant to lead the initial analysis team. Most of these other facilities use chemicals or store them but often rely on engineering firms or maintenance contractors to design the equipment and do anything other than routine minor maintenance. They may not, therefore, have staff knowledgeable enough in the process and design to identify and evaluate alternatives. For the initial analysis, Large Complex facilities are expected to carry out the analysis using their internal engineering staff. Small/Medium Complex facilities and paper manufacturers are also expected to conduct the initial analysis with in-house engineering staff, but are anticipated to require additional managerial and attorney hours.

The technical practicability assessment considers the extent of process redesign, its engineering implications, and possible costs. The practicability assessment for Large Complex, Small/Medium Complex facilities, and paper manufacturers are expected to be completed with in-house engineering and corporate management staff.

Each facility type is not expected to incur the same burden in conducting an STAA. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision

Exhibit 6-4 presents the estimates of respondent burden (in hours) for STAAs.

Exhibit 6-4: STAA (in Hours)

Facility Type	**Total # of Affected Processes**	**Mgr.**	**Corp Mgr.**	**Atty.**	**Eng.**	**Prod. Staff**	**Total Labor Burden**
Initial Analysis							
Paper	96	4	0.1	0.7	16.5	4.7	2,496
Small/ Medium Complex	2,733	4	0.1	0.7	16.5	4.7	71,058
Large Complex	1,444	0	0	0	148	0	213,134
Total	**4,273**						**286,688**
Practicability Assessment							
Facility Type	**Number of Facilities**	**Mgr.**	**Corp Mgr.**	**Atty.**	**Eng.**	**Prod. Staff**	**Total Labor Burden**
Paper	68	0	67.6	0	338.2	0	27,598
Small/ Medium Complex	1,349	0	11.5	0	57.3	0	92,685
Large Complex	140	0	778	0	2,593	0	471,990
Total	**1,557**						**592,274**
Grand Total							**878,962**

Respondent Burden for Coordination Activities

This provision would require all facilities with P2 or P3 processes to coordinate with local responders annually to make them aware of the hazards at the facility. If the facility is a non-responder and relies on the local response force, then the coordination will primarily focus on any changes that have

occurred at the facility and confirm existing response strategies or develop new ones.

The coordination requirement is intended to improve responders' understanding of the risks at the facility and to better prepare them for a safe and timely response. Coordination activities may include a review of the facility's emergency action plan (for non-responding facilities), the facility's emergency response plans (for responding facilities), and local response capabilities, including providing information for the local community emergency response plan.

If the facility is a responder and in charge of responding to its own chemical emergencies, then the coordination will primarily focus on informing local entities on what response capabilities are in place and how the community may be impacted.

Each facility type is not expected to incur the same burden in addressing coordination activities. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-5 presents the estimates of respondent burden (in hours) for coordination activities.

Exhibit 6-5: Coordination Activities (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	LEPC	Total Labor Burden
Simple	10,344	8	0	0	0	0	5	134,472
Complex	1,556	39	0	0	0	0	8	73,132
Total	**11,900**							**207,604**

Respondent Burden for Notification Drills

This provision requires all P2 and P3 facilities to conduct an annual notification exercise to verify that emergency contact information is up-to-date. This includes verifying that notification contact information for emergency responders, Federal, state and local response agencies, and other accidental release notification contacts is correct and includes functional phone numbers.

The rule requires all facilities with P2 or P3 processes to conduct a notification drill, during which a facility member checks each person and agency on its emergency contact list, to ensure that the contact information is accurate (e.g., that the person listed is still in that position and the phone numbers and email addresses are correct). As the contact list is somewhat limited (the number of organizations to be contacted must be small enough that the primary ones could be contacted quickly), the analysis estimated that it would take no more than 2 hours of engineering staff time to verify the information.

Each facility type is expected to incur the same burden in conducting notification drills. EPA has estimated labor hour burdens for simple and complex facilities and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-6 presents the estimates of respondent burden (in hours) for notification drills.

Exhibit 6-6: Notification Drills (in Hours)

Facility Type	Total #of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
Simple	10,344	0	0	0	2	0	20,688
Complex	1,556	0	0	0	2	0	3,112
Total	**11,900**						**23,800**

Respondent Burden for Exercises

Responding facilities are facilities that intend to develop and implement the emergency response program required under §68.95 in order to respond to releases at their site. The final rule requires such facilities to conduct an exercise of their emergency response program in accordance with §68.96. Under the final rule, the owner or operator is required to consult with local emergency response officials to establish an appropriate frequency for exercises. However, the owner or operator must conduct a field exercise at least once every 10 years, and a tabletop exercise at least once every three years. The objective of field and tabletop exercises include: identifying who would be contacted in an emergency, testing procedures and measures for emergency response after an accidental release of a regulated substance (e.g., what equipment would be deployed, who would be evacuated, how decisions on public notification would be made, who would contact the public, etc.), and identifying and testing proper first-aid and emergency medical treatment procedures necessary to treat accidental human exposures.

In a field exercise, all of the steps of a response are carried out (e.g., responders and equipment would be deployed). The purpose of a field exercise is to evaluate the ability of the responders and other employees to implement the emergency response plan on which they have been trained. In a tabletop exercise, participants discuss response procedures without actually carrying out response actions.

The cost of both types of exercises vary with the size and complexity of a facility. Every phase of the process—planning, exercise, and post-action evaluation—will require more time for larger and more complex facilities. Smaller facilities have a limited number of possible scenarios (from leaks to slow releases to total failure of a storage vessel). Larger facilities—particularly those with complex chemical processes—have more possible failure modes and a greater possibility of the first release triggering additional releases or creating other risks.

Management time is expected to be devoted to developing the exercise plan; engineers, production staff, and emergency responders are expected to plan and participate in the exercise.

Each facility type is not expected to incur the same burden in conducting facility exercises. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-7 presents estimates of respondent burden (in hours) for exercises.

Exhibit 6-7: Exercises (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	LEPC	Total Labor Burden
Simple Responding <20 FTE	1,640	11	0	0	15.1	6	14.7	76,697
Simple Responding 20-99 FTE	880	14.5	0	0	17.7	16.5	19	59,635
Simple Responding 100+ FTE	1,466	28.1	0	0	27.1	28	28.9	164,436
Complex Responding <20	141	11	0	0	15.1	6	14.7	6,594
Complex Responding 20-99	459	14.5	0	0	17.7	16.5	19	31,105
Complex Responding 100+	534	41.6	0	0	33.6	33.6	45.2	82,236
Total	**5,120**							**420,703**

Respondent Burden for Public Disclosure

For disclosure to the community, facilities will be required to make certain information available upon request to the public either through file sharing, providing information at a public library, or other public offices, or providing it via e-mail or an the facility's website. The provision requires facilities to inform the public on how to obtain the requested information, but does not require the facility to provide all information on a company's website. EPA has estimated that 50% of facilities will receive one information request in any given year.

The analysis estimates that simple facilities would spend 1 hour per year reviewing the information to ensure that it is up-to-date. Complex facilities may have more information to review because they may manufacture, process, and use multiple regulated substances in multiple processes. The analysis estimated that small complex facilities would spend 2 hours collecting and reviewing the information. Large complex facilities are estimated to spend 27 hours per year because management and possibly counsel would need to ensure that the information was not subject to any restrictions related to security or confidential business concerns.

Each facility type is not expected to incur the same burden in disclosing information to the public. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-8 presents the estimates of respondent burden (in hours) for public disclosure.

Exhibit 6-8: Public Disclosure (in Hours)

Facility Type	Total # of Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
Small Complex	708	1	0	0	1	0	1,416
Large Complex	914	4	0	5	18	0	24,678
Simple	10,920	0.5	0	0	0.5	0	10,920
Total	**12,542**						**37,014**

Respondent Burden for Public Meetings

This provision requires RMP facilities to hold a public meeting within 90 days of an accident. The analysis estimates that each facility would need to spend time planning for the meeting—deciding when and where to hold the meeting, arranging the meeting space, developing and posting notices of the meeting, and developing materials to be presented and distributed. In addition, at least two people from the facility would attend the meeting, which is estimated to take 4 hours of the attendees' time; even if the meeting is only 2 hours, attendees would have to arrive early and would stay after the official ending to talk with people, collect extra materials, and close up the meeting space.

For large complex facilities, where the information presented may be more complicated and subject to legal concerns (security and confidentiality), the analysis estimated that the facility staff would spend 24 hours preparing and reviewing presentations and handouts (12 hours of manager time and 12 hours of engineer time); and 16 hours of facility staff at the meeting (4 hours of manager and engineer time, and an additional 8 hours for 4 production staff to attend. The costs for space are expected to vary from nothing, when the meeting can be held in a public building, to between $500 and $1,000 when a meeting space must be rented or where the facility has to pay overtime to a custodian (e.g., at a public school).

Each facility type is not expected to incur the same burden in hosting public meetings. EPA has estimated labor hour burdens for each facility type and multiplied the total number of expected labor hours by the estimated total number of affected facilities to calculate the total labor burden of complying with the provision.

Exhibit 6-9 presents the estimates of respondent burden (in hours) for public meetings.

Exhibit 6-9: Public Meetings (in Hours)

Facility Type	Total Affected Facilities	Mgr.	Corp Mgr.	Atty.	Eng.	Prod. Staff	Total Labor Burden
Simple	83	8	0	0	8	4	1,656
Complex	69	16	0	0	16	8	2,768
Total	**152**						**4,424**

6(b) **Estimating Respondent Costs** (Sources & Local Responders)

(i) Estimating Labor Costs

EPA used the Bureau of Labor Statistics (BLS) May 2015 Occupational Employment and Wage Estimates[1] to construct a weighted wage rate for different occupation categories. For all rule provisions, labor hours were assumed to be distributed across six general labor categories: Management, Corporate Management, Attorneys, Engineers, Production Staff, and Local Responders. The weighted wage rates for complex facilities (NAICS codes 324 and 325) were estimated separately from simple facilities because wages paid by these facilities are higher than in wholesale and government sectors, which dominate the simple facilities category. For each of the NAICS codes representing industries in the simple facilities category that are affected by the rule provisions (Food and Beverage, Agricultural Facilities, etc.), standardized BLS Occupation Titles were identified to match the general labor categories (Management, Corporate Management, Attorneys, Engineers, Production Staff, and Local Responders). The wage rates for each BLS Occupation Title were multiplied by a fringe benefits factor of 1.5 to create a loaded wage rate.[2]

After loaded wage rates were established for each industry, they were combined to form a weighted average based on how prominent each industry was within its universe of facilities, either simple or complex.

Exhibit 6-10 presents the weighted-average loaded hourly wage rates.

Exhibit 6-10: Weighted-Average Loaded Hourly Wage Rates (2015 Dollars)

Labor Category	Simple Facilities	Complex Facilities
Management	$77.15	$100.12
Corporate Management	$82.83	$102.67
Attorneys	$101.66	$128.73
Engineers	$55.67	$75.89
Production Staff	$29.69	$43.81
Local Responders	$54.47	$54.47

To estimate the labor costs for each rule provision, EPA multiplied the number of hours expected in each labor category—discussed in detail above—by that category's BLS labor wage rate. The cost for each facility was then multiplied by the total number of affected facilities to arrive at the total cost. Exhibit 14 below presents the total burden and cost for each provision.

(ii) Estimating Capital and Operations and Maintenance (O&M) Costs

Capital costs usually include any produced physical good needed to provide the needed information, such as machinery, computers, and other equipment. EPA does not anticipate that

[1] See http://www.bls.gov/oes/current/oes_nat.htm.

[2] The benefits multiplier is based on an average for the sectors as estimated by BLS in its Employer Costs for Employee Compensation. BLS includes items such as sick leave and vacation as benefits.

respondents will incur capital costs in carrying out the information collection requirements covered in this ICR.

O&M costs are those costs associated with a paperwork requirement incurred continually over the life of the ICR. They are defined by the Paperwork Reduction Act of 1995 as "the recurring dollar amount of costs associated with O&M or purchasing services." For this ICR, EPA estimates that simple facilities would need to spend $1,000 on contracting with a consultant to conduct the incident investigation. Further, EPA estimates that facilities would need to expend $550 to rent a meeting room to host the public meeting.

Respondent Costs for Third-Party Audits

The existing rule requires P2 and P3 facilities to conduct a compliance audit at least once every three years. The provision requires facilities that have had RMP reportable accidents to contract with a third party to conduct the audit. The final rule also requires the owner or operator to perform a third-party audit when an implementing agency determines that conditions at the stationary source could lead to an accidental release of a regulated substance or when a previous third-party audit failed to meet the competency or independence criteria specified in the rule. The analysis estimated the cost of hiring a third party to conduct the audit based on the public comments that EPA received through the July 31, 2014, RFI. Of the 14 comments providing input on the economic impacts of the legislation, several comments specifically provided point estimates for the cost of hiring a third-party auditor.[3] These estimates ranged between $10,000 and $20,000 for simpler facilities and up to $40,000 for larger facilities. The cost estimate calculations assumed $15,000 for simple and small government facilities and $40,000 for complex and large government facilities.

EPA received numerous public comments on the third-part compliance audit provision of the NPRM. Received comments broadly stated that the EPA's estimate for the cost of hiring third-party auditors and conducting third-party audits was lower than the costs experienced by industry. Many commenters submitted examples of higher auditing costs estimates, which EPA has taken under advisement during cost estimate revisions. EPA's recent experience with a facility in EPA Region 1 also suggested that third-party audit costs may be higher that initially estimated. Therefore, in conjunction with input from public comments, EPA has used its industry knowledge of third-party audit costs to revise the provision's cost estimate to better reflect industry costs.[4]

Exhibit 6-11 presents EPA's estimates of third-party audit contract costs.

[3] See comments 0638 and 0667 – These two comments from industry specifically provided point estimates on the costs of third-party audits. One comment placed the cost of the audit between $36,000 and $40,000 and the other placed the estimates at approximately $10,000 based on membership experience.

[4] EPA has doubled the labor hour burden and contractor costs associated with Third-Party Audits as a result of EPAs Region 1's experience with the Mann Distribution Facility.

Exhibit 6-11: Third-Party Audit Contract Costs (2015 Dollars)

Facility Category	Affected Facilities	Cost	Facility Total
Simple <20 FTE	18	$30,000	$5400,000
Simple 20-99 FTE	15	$30,000	$450,000
Simple 100+ FTE	40	$30,000	$1,200,000
Complex < 20	3	$80,000	$240,000
Complex 20-99	13	$80,000	$1,040,000
Complex 100+	52	$80,000	$4,160,000
Small Government	3	$30,000	$90,000
Large Government		$80,000	$320,000
Total	**148**		**$8,040,000**

These expenses are considered incremental to the costs for compliance audits that are covered in the original rule as similar levels of facility staffing would be required to work with the third-party auditor (i.e., EPA does not expect the cost of the third-party auditor to be offset by cost savings from reduced staff levels of effort related to auditing).

6(c) Estimating Agency Burden and Cost

Information relating to certain proposed rule provisions would be incorporated into sources' RMPs, which are submitted to EPA at least every five years. The information collection burden and costs associated with EPA operations and maintenance of the RMP reporting system and RMP database and with review of sources' RMPs and on-site documentation are accounted for in the existing approved ICR. Therefore, EPA is not expected to incur any additional information collection burden or cost as a result of the proposed rule.

The burden associated with State and local implementing agencies' review of sources' RMPs and on-site documentation is accounted for in the existing approved ICR. State and local implementing agencies will incur some burden for rule familiarization. This burden has been included in the rule familiarization row in Exhibit 6-1.

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

In this section, EPA first describes the respondent universe affected by the information collection requirements under the proposed rule.

Respondent Universe

Exhibit 6-13 presents the annual number of respondents subject to the new information collection requirements under the final rule.

Exhibit 6-13: Annual Number of Respondents Subject to New Information Collection Requirements under the Proposed Rule

Sector	P1	P2	P3	Totals
NAICS 311, 312 Food Manufacturer, Beverage/Ice	3	11	1,462	1,476
NAICS 322 Pulp and Paper	1	1	68	70
NAICS 324 Petroleum	13	3	140	156
NAICS 325 Chemical	53	64	1,349	1,466
Other Manufacturing	62	73	249	384
NAICS 4246 Chemical Distributors	6	0	327	333
NAICS 4247 Petroleum Distributors	14	0	262	276
NAICS 11, 12, 15, 42491 Agricultural	10	3,371	286	3,667
NAICS 211 Oil and Gas Exploration	310	41	390	741
NAICS 2213 Water/Wastewater*	1	10	91	102
NAICS 221, 222 Utilities	38	72	233	343
NAICS 493 Warehousing	70	986	0	1,056
NAICS 423, 424 Other Wholesale	5	291	6	302
NAICS 92 Governments	15	935	973	1,923
Other	41	62	144	247
Total	**642**	**5,920**	**5,980**	**12,542**
State and local agencies (for Rule Familiarization)				1,738
***Except government owned which appear as NAICS 92 Government.**				

6(e) Bottom Line Burden Hours and Costs

Exhibit 6-14 presents the bottom line burden hours and costs. The total number of respondents includes all regulated facilities (12,542), all LEPCs associated with regulated facilities (1,724), and 14 delegated state and local implementing agencies, or 14,280 total respondents.

Exhibit 6-14: Yearly Total for Labor Burden, Labor Costs, and Other Costs

Provision	Total Respondents	Total Labor Burden	Labor Costs	Other Costs
Rule Familiarization	14,280	487,676	$34,697,646	
Third-party Audit	148	22,890	$1,802,339	$8,040,000
Root Cause Analysis	298	20,288	$1,644,700	$162,000
STAA	1,557	878,962	$70,117,913*	
Coordination Activities	13,624**	207,604	$15,955,003	
Notification Drills	11,900	23,800	$1,387,858	
Exercises	6,844**	420,703	$24,735,539	
Public Disclosure	12,542	37,014	$3,052,663	
Public Meeting	152	4,424	$316,944	$83,600
Year 1 Total* **		**2,103,361**	**$153,710,607**	**$8,285,600**
Year 2 Total* **		**1,615,685**	**$119,012,960**	**$8,285,600**
Year 3 Total* **		**1,615,685**	**$119,012,960**	**$8,285,600**
Yearly Average		**1,778,244**	**$130,578,842**	**$8,285,600**

* Value may not equal labor costs reported in the RIA due to rounding of expected labor hours.
** Values are inclusive of 1,724 local government entities that are involved in coordination and exercise activities.
*** Values may not sum due to rounding.

Annual	Respondents	Responses[+]	Non-labor Cost[+]	Hours[+]
Private	12,542	47,798	$8,285,600	1,593,073
States/Local	1,738	4,027	$0	185,171[++]
Total	**14,280**	**51,825**	$8,285,600	**1,778,244**

[+] Correspond to the yearly average responses, non-labor cost, and labor burden.
[++] Represents rule familiarization hours and local entity hours associated with coordination and exercises.

Burden Statement

Burden Statement: The annual public reporting and recordkeeping burden for this collection of information is estimated to average 34 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and

disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OEM-2015-0725, which is available for online viewing at www.regulations.gov, or in person viewing at the OLEM 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 OLEM 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-OEM-2015-0725 and OMB Control Number 2050-0216 in any correspondence.