SUPPORTING STATEMENT FOR THE

RENEWABLE FUELSTANDARD (RFS) PROGRAM

A. JUSTIFICATION

1. Identification of the Information Collection

a. Title: Recordkeeping and Reporting for Renewable Fuel Standard (RFS) Program, EPA ICR No. 2546.01; Docket Number EPA-HQ-OAR-2017-0599

b. Short characterization:

This Information Collection Request (ICR) consolidates all Renewable Fuel Standard (RFS) information collection activities into one, easy-to-understand format. These information collection activities include registration, recordkeeping, and reporting under 40 CFR Part 80, subpart M. Previously, RFS information collection activities have been scattered through multiple ICR packages. We believe that presenting all RFS-related information collection activities in one ICR, utilizing updated and accurate information about the number of active parties in the program, and applying consistent assumptions, will result in better and more accurate burden estimates. A copy of this supporting statement and materials, including forms and instructions for RFS reporting, have been placed in the docket. We encourage all interested parties to view the materials related to the ICR and to provide comments.

This ICR will supersede and replace the following currently approved ICRs under the following titles and OMB control numbers (with expiration dates shown):

* RFS2 Voluntary RIN Quality Assurance Program, OMB Control Number 2060-0688; expires 4/30/2019[[1]](#footnote-1); and
* Cellulosic Production Volume Projections and Efficient Producer Reporting, OMB Control Number 2060-0707, expires 12/31/2019.

This ICR contains some recordkeeping and reporting that was included in expired ICRs under the following titles and OMB control numbers (with expiration dates shown):

* Renewable Fuels Standard Program (RFS2-Supplemental), OMB Control Number 2060-0637; expired 10/31/2017;
* Renewable Fuel Standard (RFS2) Program, OMB Control Number 2060-0640; expired 10/31/2017;
* Regulation of Fuel and Fuel Additives: 2011 Renewable Fuel Standards – Petition for International Aggregate Compliance Approach, OMB Control Number 2060-0655; expired 5/31/2017; and
* Production Outlook Report for Unregistered Renewable Fuels Producers, OMB Control Number 2060-0660; expired 7/31/2017.

*Abstract:*

What is the RFS Program?

The RFS program was created under the Energy Policy Act of 2005 (EPAct), which amended the Clean Air Act (CAA). The Energy Independence and Security Act of 2007 (EISA) further amended the CAA by expanding the RFS program. EPA implements RFS in consultation with U.S. Department of Agriculture and the Department of Energy.

The RFS program is a national policy that requires a certain volume of renewable fuel to replace or reduce the quantity of petroleum-based transportation fuel, heating oil or jet fuel. The four renewable fuel categories under the RFS are:

* Biomass-based diesel,
* Cellulosic biofuel,
* Advanced biofuel, and
* Total renewable fuel.

The 2007 enactment of EISA significantly increased the size of the program and included key changes, including:

* Boosting the long-term goals to 36 billion gallons of renewable fuel,
* Extending yearly volume requirements out to 2022;
* Adding explicit definitions for renewable fuels to qualify (e.g., renewable biomass, GHG emissions);
* Creating grandfathering allowances for volumes from certain existing facilities; and
* Including specific types of waiver authorities.

The current regulations for the RFS program are in 40 CFR Part 80, subpart M. These regulations list the various regulated parties and their responsibilities. The estimates in this supporting statement cite the associated section and any applicable forms and instructions to aid parties in understanding and commenting upon the burden.

What Renewable Fuels Qualify under RFS?

For a fuel to qualify as a renewable fuel under the RFS program, EPA must determine that the fuel qualifies under the statute and regulations. Among other requirements, fuels must achieve a reduction in greenhouse gas (GHG) emissions as compared to a 2005 petroleum baseline.

We have approved fuel pathways under the RFS program under all four categories of renewable fuel. Advanced pathways already approved include ethanol made from sugarcane; jet fuel made from camelina; cellulosic ethanol made from corn stover; compressed natural gas from municipal wastewater treatment facility digesters; and others.

* Biomass-based diesel must meet a 50% lifecycle GHG reduction;
* Cellulosic biofuel must be produced from cellulose, hemicellulose, or lignin and must meet a 60% lifecycle GHG reduction;
* Advanced biofuel can be produced from qualifying renewable biomass (except corn starch) and must meet a 50% GHG reduction; and
* Renewable (or conventional) fuel typically refers to ethanol derived from corn starch and must meet a 20% lifecycle GHG reduction threshold.

Lifecycle GHG reduction comparisons are based on a 2005 petroleum baseline as mandated by EISA. Biofuel facilities (domestic and foreign) that were producing fuel prior to enactment of EISA in 2007 are “grandfathered” under the statute, meaning these facilities are not required to meet the GHG reductions.

We continue to review and approve new pathways, including for fuels made with advanced technologies or with new feedstocks. Certain biofuels are similar enough to gasoline or diesel that they do not have to be blended but can be simply “dropped in” to existing petroleum-based fuels. These drop-in biofuels directly replace petroleum-based fuels and hold promise for the future.

How Does RFS Compliance Work?

Obligated parties under the RFS program are refiners or importers of gasoline or diesel fuel. Compliance is achieved by blending renewable fuels into transportation fuel, or by obtaining credits (called “Renewable Identification Numbers”, or RINs) to meet an EPA-specified Renewable Volume Obligation (RVO).

We calculate and establish RVOs every year through rulemaking, based on the CAA volume requirements and projections of gasoline and diesel production for the coming year. The standards are converted into a percentage and obligated parties must demonstrate compliance annually.

Each fuel type is assigned a “D-code” – a code that identifies the renewable fuel type – based on the feedstock used, fuel type produced, energy inputs and GHG reduction thresholds, among other requirements. The four categories of renewable fuel have the following assigned D-codes:

* Cellulosic biofuel is assigned a D-code of 3 (e.g., cellulosic biofuel) or D-code of 7 (cellulosic diesel),
* Biomass-based diesel is assigned a D-code of 4,
* Advanced biofuel is assigned a D-code of 5, and
* Renewable fuel (non-advanced/conventional biofuel) is assigned a D-code of 6 (grandfathered fuels are also assigned a D-code of 6).

“Renewable identification numbers” or RINs are the credits that obligated parties use to demonstrate compliance with the standards. Obligated parties must obtain sufficient RINs for each category to demonstrate compliance with the annual standards.

To track compliance with the RFS program, various parties involved with the production and blending of renewable fuels, or who engage in transactions involving RINS, must register with EPA and submit various types of compliance reports related to the activity they engage in under the program. Our estimates as to burden are explained in the supporting statement that has been placed in the public docket. Domestic and foreign entities may be subject to these regulations and to the associated information collection. The RFS program was developed with certain flexibilities, including for small entities, for which there are associated information collection requirements. In brief, affected entities include: RIN Generators (Producers and Importers of renewable fuels), Obligated Parties (Refiners and Importers of non-renewable gasoline and diesel transportation fuels), RIN Owners, Exporters, Quality Assurance Plan (QAP) providers, and Third Parties (such as engineers and agents who may register and submit information on behalf of regulated parties).

Who are the Respondents for this ICR?

The main categories of respondents are discussed below. Respondents register and report according to their business activity or activities, which means that a party may be registered under multiple business activities. For ease of understanding, we have grouped the respondents covered by this ICR according to the following activities:

***Table I - RIN Generators***

For purposes of the estimates in “Table I – RIN Generators” of this ICR, we have assumed 595 producers and 131 importers of renewable fuels, for a total of 726 RIN Generators. This total is based upon the number of parties we had that were registered and active as of September 2017. The following paragraphs explain the background for the estimates for RIN Generators as summarized in Table I.

The information collection activities for RIN Generators are designed to properly characterize and credit the type of renewable fuel being produced or imported, and to properly account for that fuel in terms of associated RINs generated and RIN transactions. Information collection activities for these parties include: program registration (to receive EPA-issued company and facility identification numbers), transactional and compliance reporting system registration (to engage in on-line trading of RINs and to submit compliance reports), submission of transactional and annual compliance reports and attest engagements; and recordkeeping. Although registration is typically a one-time process, parties are responsible for keeping their information current and for initiating updates as needed.

The information collection items for producer registration deserves note. In addition to overhead and basic Central Data Exchange (CDX) and EPA Moderated Transaction System (EMTS) registration information, producers are required to submit detailed information about their products and processes. They are also required to engage the services of a third-party professional engineer (P.E.) to prepare an engineering review, which is submitted as part of registration and updated every three years. Depending upon the type of renewable fuel produced, a producer may have to submit and retain additional information as part of registration. We have considered this burden of providing additional information as part of the cost of registration in Table I - RIN Generators. For example, a renewable fuel derived from municipal solid waste (MSW) requires submission/retention of an MSW separation plan as part of registration. There are other examples where producers may need to either submit or retain information, including for producers of a renewable fuel derived from an invasive species (*donax* or *Pennisetum purpureum*); this requires submission/retention of a risk mitigation plan, documentation from USDA, copies of permits, etc. We have considered the added burden of submission/retention of “special” registration information in our estimates for producer registration.

We have accounted for the recordkeeping and reporting burden of petitioning for new fuel pathways in Table I - RIN Generators. In 2010, EPA established a process for companies to petition for new fuels pathways to qualify under the RFS program. A fuel pathway is a specific combination of three components: (1) feedstock, (2) production process and (3) fuel type. Assessment of lifecycle greenhouse gas (GHG) emissions is necessary to determine which fuel pathways can qualify. EPA maintains a list of currently approved pathways, which includes the applicable feedstock and process information, and the associated D-Codes, at <https://www.epa.gov/renewable-fuel-standard-program/approved-pathways-renewable-fuel>.

***Table II - Obligated Parties***

For purposes of the estimates in “Table II –Obligated Parties” of this ICR, we have assumed 457 refiners and 281 importers of non-renewable gasoline and diesel transportation fuels, for a total of 738 Obligated Parties. This total is based upon the number of parties we had that were registered and active as of September 2017. The following paragraphs explain the background for the estimates for Obligated Parties as summarized in Table II.

The information collection activities for Obligated Parties are designed to ensure and document compliance with the annual RFS standard, and to properly account for that fuel in terms of associated RINs generated and RIN transactions. Information collection activities for these parties include: program registration (to receive EPA-issued company and facility identification numbers), transactional and compliance reporting system registration (to engage in on-line trading of RINs and to submit compliance reports), submission of transactional and annual compliance reports and attest engagements; and recordkeeping. Although registration is typically a one-time process, parties are responsible for keeping their information current and for initiating updates as needed.

***Table III - RIN Owners***

For purposes of the estimates in “Table III – RIN Owners” of this ICR, we have assumed 843 RIN Owners. This total is based upon the number of parties we had that were registered and active as of September 2017. The following paragraphs explain the background for the estimates for RIN Owners as summarized in Table III.

The information collection activities for RIN Owners are designed to ensure the integrity of RINs generated and RIN transactions, and include the following: program registration (in order to receive EPA-issued company and facility identification numbers), transactional and compliance reporting system registration (in order to engage in on-line trading of RINs and to submit compliance reports), submission of transactional and annual compliance reports and attest engagements; and generation of PTDs and recordkeeping. Although registration is typically a one-time process, RIN Owners are responsible for keeping their information current and for initiating updates as needed.

***Table IV - Exporters***

For purposes of the estimates in “Table IV – Exporters” of this ICR, we have assumed a total of 142 Exporters (of renewable fuel). This total is based upon the number of parties we had that were registered and active as of September 2017. The following paragraphs explain the background for the estimates for Exporters as summarized in Table IV.

The information collection activities for Exporters are designed to ensure and document compliance with the annual RFS standard, and to properly account for that fuel in terms of associated RINs generated and RIN transactions. Information collection activities for these parties include: program registration (to receive EPA-issued company and facility identification numbers), transactional and compliance reporting system registration (to engage in on-line trading of RINs and to submit compliance reports), submission of transactional and annual compliance reports and attest engagements; and recordkeeping. Although registration is typically a one-time process, parties are responsible for keeping their information current and for initiating updates as needed.

***Table V - QAP Providers (Voluntary Quality Assurance Program for RINs)***

For purposes of the estimates in “Table V – QAP Providers” of this ICR, we have four (4) QAP providers. This total is based upon the number of parties we had that were registered and active as of September 2017. The following paragraphs explain the background for the estimates for QAP Providers as summarized in Table V. To understand the nature of these parties, some background on the QAP program is provided.

The RFS program includes a voluntary third-party QAP option for RINs that regulated parties may exercise as a supplement to the “buyer beware” liability as prescribed under existing regulations. The program provides a means for ensuring that RINs are properly gener­ated through audits of renewable fuel production conducted by independent third-parties using quality assurance plans (QAPs), provides an affirmative defense for the transfer or use of invalid RINs that had been verified under an approved QAP, defines the conditions when RINs must be replaced, and a process for determining who will replace the RINs.

Information collection activities for QAP Providers include: program registration (to receive EPA-issued company and facility identification numbers), compliance reporting system registration (to submit compliance reports), submission of period reports; and recordkeeping.

***Table VI - Petition for International Aggregate Compliance Approach***

The estimates for petitioners for the international aggregate compliance approach for foreign countries are presented in a separate table, as these are submitted extremely infrequently, and the respondents would typically be foreign governments rather than the types of regulated party-respondents described in Tables I-V.

What Information is Collected from Respondents?

The information collected by EPA under the RFS program may be divided into the following broad categories:

* Registration
* Reporting (including transactional, quarterly and annual)
* Recordkeeping

The information collected is discussed in the following paragraphs.

A. Registration

All parties listed above and in Tables I-V must register with EPA. Registration must be on forms and following instructions provided by the Administrator. Respondents must provide basic overhead information (company name, address, types of activities engaged in – for example, producer, exporter, etc.) and they must register and establish an account with CDX to use EMTS, the fuels registration and reporting applications (OTAQREG and DCFUEL). We have made every effort to standardize and simplify registration and to avoid having parties submit unnecessary or duplicative information. EPA provides user guides on its website to assist parties with program and CDX registration and provides help desk support.

It is of note that producers of renewable fuels do have more detailed registration requirements than other parties, owing to the necessity to be able to characterize types of renewable fuels they are making and processes/pathways that apply to such fuels. As part of registration, producers are required to engage a third-party professional engineer (P.E.) to submit an engineering review. This engineering review is submitted upon initial registration and then is updated every three years.

In addition, depending upon the renewable fuel, there may be additional items that must be submitted via registration. The detailed items are listed in 40 CFR 80.1451(b)(1). We have made general assumptions in Table I about the additional time and expense required to locate and submit certain pieces of information as part of registration (e.g., to submit an MSW separation plan). We believe that most, if not all, of the required records would be kept in the normal course of business (i.e., customary business practice of “CBP”).

We have docketed the registration instructions and templates associated with this ICR.

B. Reporting

The exact reports filed will depend upon the activities engaged in by the party. Parties indicate their activities when they register. A party must file reports appropriate for each activity it engages in – for example, if a party is *both* an exporter of renewable fuel *and* a producer of renewable fuel, then that party must file the reports applicable to both activities.

There are different types and schedules for reporting under the RFS program. Transactional reporting related to RIN generations and transfers is conducted within EMTS. This is “real time” reporting system that many parties use daily. There are quarterly (submitted four times per calendar year), annual (submitted once per calendar year) compliance reports. We provide instructions for each type of report on our website; most reports may be submitted using our unified reporting form (URF). The URF proves a simple, accessible format. Other reports may be downloaded and generated within EMTS. EPA provides user guides on its website to assist parties with submission of reports and attest engagements and provides help desk support.

We have docketed the reporting instructions and templates associated with this ICR. Tables I-VI associates these forms with the individual reporting requirements, for each type of respondent. A full list of the EPA forms (current as of the date of this supporting statement) follows: RFS0104: RFS Activity Report, RFS0303: RFS Annual Compliance Report, RFS0601: RFS Renewable Fuel Producer Supplemental Report, RFS0701: RFS Renewable Fuel Producer Co-Products Report, RFS0801: RFS Renewable Biomass Report, RFS0901: RFS Production Outlook Report, RFS1400: Reporting Fuels under 80.1451(b)(1)(ii)(T), RFS1500: Reporting Fuels under 80.1451(b)(1)(ii)(T) — Finished Fuel Blending, RFS1600: Reporting Fuels under 80.1451(b)(1)(ii)(T) — Blender Contact, RFS2000: Batch Verification, RFS2100: Aggregate RIN Verification. RFS2200: On-Site Audit Report, RFS2300: List of Potentially Invalid RINs, RFS2400: Mass Balance, RFS2500: RFS Efficient Producer Data Report, RFS2700: RFS Cellulosic Biofuel Producer Questionnaire, EMTS: RFS RIN Generation Report, EMTS: RFS RIN Transaction Report.

The following reporting guidance (these are not forms but provide information about how to register and enter information within EPA registration and reporting systems) have also been docketed and are also available on the EPA fuels reporting website: OTAQReg Instructions, Optional Engineering Review Template, User Guide to OTAQReg for Attest Engagements for RFS.

*e-Enterprise and Efforts to Reduce Registration and Reporting Burdens*

As part of an effort to lessen the information collection burden on both respondents and the government, we are pursuing an “e-Enterprise” solution that will be applicable to registration and reporting for the RFS program. The goal of this solution is to provide a more helpful and intuitive registration and reporting system, and to reduce reporting errors and submission of duplicative information. We anticipate that this initiative will make registration and reporting easier and more intuitive for the regulated community and will significantly reduce the respondent burden. We also anticipate that this initiative will also significantly reduce the Agency burden.

Acknowledging the e-Enterprise is a future solution, we have also considered ways in which we may reduce registration and reporting burdens on both respondents and the Agency in the nearer term. We are actively planning to implement improvements to existing systems, consistent with the feedback we have received via industry consultations for this ICR.

One improvement that we recently implemented allows reports generated within EMTS (the transactional reporting system) to be electronic signed and submitted through EMTS. Previously, such reports were generated in EMTS (the transactional reporting system) but carried over to be electronically signed and submitted via DCFUEL (the compliance reporting system). This added an extra step, and occasionally a layer of confusion, for respondents. We believe the exploring and implementing both short term and long-term reporting system improvements will reduce the recordkeeping and reporting burdens associated with the RFS program and will advance the goals of Executive Order 13771 (which directs agencies to reduce regulatory burdens).

C. Recordkeeping

Parties are required to retain records underlying their registration and reporting submissions to EPA, and certain product transfer documentation (PTD), for a period of five (5) years. Most of the records we require to be retained, e.g. PTDs, would normally be kept as customary business practice (CBP). Please refer to section 3(e) below for a discussion of the retention period.

2. Need for, and Use of, the Collection

1. Authority for the Collection

Sections 114 and 208 of the Clean Air Act (CAA), 42 U.S.C. §§ 7414 and 7542, authorize EPA to require recordkeeping and reporting regarding enforcement of the provisions of Title II of the CAA.

b. Practical Utility/Uses of the Data

The registration, reporting and recordkeeping requirements of this regulation will allow EPA to monitor compliance with the RFS program.

3. Non-duplication, Consultation, and other Collection Criteria

a. Non-duplication

Efforts have been made to eliminate unnecessary duplication; further efforts are being made to reduce duplication via the e-Enterprise and related efforts discussed above.

1. Public Notice

On December 8, 2017, we published a Federal Register notice to solicit public comment on our intention to submit this information collection to the Office of Management and Budget. See 82 FR 57973. A sixty (60) day comment period was provided. The comment period closed on February 6, 2018. We encouraged all interested parties to review and provide feedback on this ICR, and we considered comments received in developing a final submission for OMB. We have prepared this updated supporting statement and have updated our burden estimates based upon comments received and upon consultations with industry. Once the ICR is submitted to OMB, there will be an additional thirty (30) day comment period announced in the Federal Register.

c. Consultations

We provided the supporting statement that accompanied the December 8, 2017 Federal Register notice to representatives from the affected industries to solicit their review and feedback. We received comments from two entities, Weaver (which provides a variety of registration and reporting and other support services to a variety of affected entities) and REG, Incorporated (a producer and exporter of renewable fuels). These respondents noted that certain of our estimates, including most notably those for attest engagements, needed to be adjusted upward to reflect the actual costs. We have adjusted our estimates consistent with their feedback.

As part of the consultations, we received feedback regarding improvements that EPA may make to its registration and reporting systems and processes that could result in a reduction in burden for the regulated community and the Agency itself. EPA is committed to reducing reporting burdens and providing a more user-friendly reporting experience.

d. Effects of Less Frequent Data Collection

We have designed the reporting schedule to coincide with existing reporting deadlines applicable to many of the same parties under other fuels programs; less frequent collection would compromise our ability to meet the requirements of the CAA, EPAct, and EISA.

e. General Guidelines

This rule does not exceed any of the OMB guidelines, except regarding the RFS requirement that records be kept for five (5) years rather than the typical OMB guideline for record retention, which is three (3) years. We believe the five (5) year retention period is necessary for this program, to ensure proper compliance oversight. We have a five (5) year record retention for other fuels regulations in 40 CFR Part 80 and this record retention period is familiar to the regulated universe.

f. Confidentiality

We inform respondents that they may assert claims of business confidentiality (CBI) for much of the information they submit. Any information claimed as CBI will be treated in accordance with 40 CFR Part 2 and established Agency procedures. Information that is received without a claim of confidentiality may be made available to the public without further notice to the submitter under 40 CFR § 2.203.

g. Sensitive Information

This information collection does not require submission of any sensitive or personally identifiable information (PII).

4. The Respondents and the Information Requested

a. Respondents/with NAICS and SIC Codes

The respondents to this information collection fall into the following general industry categories: petroleum refineries (324110/2911), ethyl alcohol manufacturers (325193/2869), other basic organic chemical manufacturing (325110/2869), chemical and allied products merchant wholesalers (426990/5169), petroleum bulk stations and terminals (422710/5171), petroleum and petroleum products merchant wholesalers (422720/5172), and other fuel dealers (454319/5989).

b. Information Requested

The items of information requested are listed in detail in Appendix A, Tables I-VI.

5. The Information Collected, Agency Activities, Collection Methodology, and Information Management

a. Agency Activities

* All reports and registrations will be reviewed by EPA for completeness and for potential violations.
* Potential violations will be referred to enforcement personnel.
* Registration numbers will be issued for new registrants.
* EPA will contact reporting parties if there is a problem with their submission.

b. Collection Methodology and Management

We anticipate receiving data in a simplified and secure fashion via the Agency's CDX. Information claimed as CBI will be stored in appropriately controlled areas.

c. Small Entity Flexibility

This collection will not adversely affect small entities. The Final Rule describes flexibility provisions available to small entities. The flexibility provisions that are available to small entities are found in 40 CFR § 80.1441 and § 80.1442. There are only six (6) refiners have less than 1,500 employees, corporate-wide, and corporate average crude oil capacity less than or equal to 155,000 barrels per calendar day.

d. Collection Schedule

Registrations are received on a rolling basis, as updates may be sent in at any time and new parties may enter the regulated industry at any time. Reporting is as-needed, monthly, quarterly, and annual.

6. Estimating the Burden and Cost of Collection

a. Estimating the Respondent Universe

We drew upon experience with the RFS2 program and the actual number of respondents registered as of as of September 2017 develop estimates of the burden associated with this collection, for Tables I-V. For Table VI, we gave a good faith estimate based upon programmatic experience.

b. Estimating the Respondent Burden and Cost

We have provided detailed estimates, described as registration, recordkeeping and reporting in Tables I-VI for each type of respondent. These tables provided citations to the appropriate sections in 40 CFR Part 80 and reference each form or reporting template, as appropriate. To ensure parties may review all information relevant to this collection, we have docketed all forms and templates. We have assumed an industry standard mix, based upon available Bureau of Labor Statistics estimates.

* 1. Estimating the Agency Burden and Cost

EPA must generate company and facility registration number(s) for new registrants and notify them of these numbers, which must appear on reports. Report formats and instructions/guidance must be prepared and occasionally updated. Reports are processed by EPA contractors and must be reviewed for compliance purposes by EPA personnel. Reporting parties must be contacted if there is a problem with their submission.

Using the RFS, the RFG and anti-dumping, and other recent fuels-related ICRs as a guide in developing these initial estimates for RFS, we anticipate that we may require the FTE equivalents of five GS-13 professional employees ($986,000), one GS-7 clerical employee ($93,000), and 1/8 of one GS-15 manager’s time ($32,000).[[2]](#footnote-2)

Specifically, the involvement of the equivalent of two GS-13 professional employees is particularly required to process engineering reviews as part of registration; the additional equivalent of three GS-13 professional employees provide follow up and support to employees regarding compliance reporting, as well as non-engineering review registration and recordkeeping support.

Since we are using CDX, some costs incurred by the Agency will be tied to the number of registrants who send us reports. Specifically, there is an annual "subscription cost" associated with the use of CDX that is passed on to the EPA program office and we estimate that our office will pay approximately $75,000 – 100,000 per year for this service; for purpose of this ICR, we have used the higher figure ($100,000). Our CDX subscription cost for 2016 was $125,000; however, this was a year with unusually high costs.

 We have a contract that support registration and reporting activities, and we estimate the cost of contract support for registration at $900,000 per year and for reporting at $144,000 per year; additionally, contract support has historically been used to develop registration and reporting tutorials or guidance (for both registration and reporting) at approximately a cost of $42,000/ year.

Our current system lifecycle for the information systems that support registration, recordkeeping and reporting is the operations and maintenance (O&M) phase; we do not anticipate significant *new* development costs associated with these systems during the period of this ICR. However, we do anticipate incurring costs associated with developing an e-Enterprise solution and providing on-going updates and enhancements to registration and reporting that will affect not just RFS, but all fuels reporting. We estimate that the IT costs attributable to RFS only, and with the O&M of OTAQREG, DCFUEL, and EMTS, at $ 1,000,000 per year.

Adding the following values results in an annual estimated Agency burden as follows:

Three GS-13 technical employee (FTE equivalent) = $ 986,000

One GS-7 clerical worker (full-time) = $ 93,000

One GS-15 manager (1/8 time) = $ 32,000

Annual IT/CDX subscription fee = $ 100,000

IT System Costs = $ 1,000,000

Annual contract costs = $ 1,086,000

TOTAL AGENCY COST = $ 3,297,000

As with all items in this supporting statement, we encourage comment on the estimated Agency burden and on the Agency activities associated with this ICR.

d. Estimating the Respondent Universe

We could estimate the number of regulated entities drawing upon experience regulating the same or similar entities. We could estimate the number of regulated entities drawing upon experience regulating the same or similar entities. For Tables I-V, we used the actual number of active, registered parties as of September 2017. For Table VI, we used an estimate based upon program experience (specifically, we have only received and processed one application for the international aggregate compliance approach for foreign countries.

e. Bottom Line Burden Hours and Costs

From the tables, we estimate the following totals:

TOTAL NO. OF RESPONDENTS: 19,581

TOTAL NO. OF RESPONSES: 2,726,409

TOTAL BURDEN HOURS: 654,965

TOTAL COST TO RESPONDENTS: $ 65,684,166

f. Reason for Change in Burden

This is a new information collection that consolidates all information currently collected under the RFS regulations of 40 CFR Part 80, subpart M.

We have used updated assumptions and calculation methods to develop this supporting statement, in order to present burden estimates that are accessible, understandable, and correct. We have organized this information collection in a manner that better describes and counts the respondents, and we have tied the information to be collected to regulatory citations and, where applicable, to any required or optional forms. When all the previously approved, individual RFS information collections are added up, they yield a total of 2,792, 618 responses; 652,072 hours; and $102,010 in capital costs. This consolidated RFS ICR yields 2,726,409 responses, 654,965 hours and $0 capital costs. There is only a slight change in the number of responses and hours due to consolidation; the capital costs of $102,010 were reduced to $0 because a previously approved ICR erroneously characterized labor costs as capital costs (i.e., there was an error made by the Agency). Some changes to the number of responses and number of hours are inevitable, due to slight changes in the methodology and organization used in preparing a consolidated RFS ICR. This consolidated RFS ICR places respondents into logical Tables based upon their role in the program and uses the actual numbers of registered parties (respondents). The number of responses *decrease* slightly (by 66,209, about 2% of the original total) and the number of hours *increase* slightly (by 2,893, less than 1% of the original total) when going from the previously approved individual ICRs to this consolidated one.

As described above, we have updated the number of respondents to reflect the current state of the RFS program. There has been significant growth in the number of parties who have registered and who are active within the RFS program since its inception. For example, the initial ICR estimates for the RFS program from 2011 anticipated that there would be 150 producers of renewable fuel; as of September 2017, there are 595 registered producers of renewable fuel. Other types of respondent have experienced growth, as well, since the RFS program's inception. Some of the prior, individual RFS ICRs did not use standard language reflective of the RFS regulation to group parties into respondent tables and groups. A few of these previously approved ICRs erroneously described respondents (e.g., there were estimates for "unregistered" producers submitting production outlook reports to EPA; there are none) or overcounted them (e.g. the original QAP ICR over-estimated there would be 15 QAP providers; in fact, there are four or fewer and we do not expect that number to change based upon our actual experience with the program). We have developed Tables that use the appropriate RFS terminology (e.g. "RIN Generator," "Obligated Party") and have further distinguished between respondents where their information collection items may differ (e.g., an "Obligated Party" who is a refiner may have a slightly different reporting requirement than an obligated party who is an exporter.) We believe this helps the understanding of parties affected by the information collection, as well as providing better and more accessible estimates for public review and comment.

By standardizing our assumptions and including all RFS-related collections in one new RFS ICR, we also believe we will be better able to characterize the existing burden, and any future change in burden upon renewal. From an Agency perspective, this holistic approach will assist us in considering the cost effectiveness of planned improvements to the information systems related to registration and reporting.

g. Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to be 0.2 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 assist parties in commenting 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, we have established a public docket for this ICR.

APPENDIX – Detailed Burden Estimates, Excel Tables I-VI

1. Extended by six months. [↑](#footnote-ref-1)
2. These estimates are derived from "OPM Salary Table 2017-DCB," effective January 2017. This table may be found at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB.pdf>. The extreme of step 10 was assumed for all categories. We have assumed a full-time GS-7 clerical worker, five full-time GS-13 professional workers, and a GS-15 manager working one-eighth of his/her time managing this project (0.125). All values were multiplied by 1.6 (which is a common factor utilized in ICRs to account for overhead costs). We rounded the resulting dollar value to the nearest thousand. This FTE cost of $1,111,000 is per year. [↑](#footnote-ref-2)