SUPPORTING STATEMENT ENVIRONMENTAL PROTECTION AGENCY

NESHAP for Boat Manufacturing (40 CFR Part 63, Subpart VVVV) Residual Risk and Technology Review

1. Identification of the Information Collection

1(a) Title of the Information Collection

NESHAP for Boat Manufacturing (40 CFR Part 63, Subpart VVVV) Residual Risk and Technology Review, EPA ICR Number 1966.06, OMB Control Number 2060-0546.

1(b) Short Characterization/Abstract

The National Emission Standards for Hazardous Air Pollutants (NESHAP) for Boat Manufacturing were proposed on July 14, 2000, promulgated on August 22, 2001, and amended on October 3, 2001. These regulations apply to both existing and new boat manufacturing facilities that are a major source of hazardous air pollutant (HAP) emissions. This regulation covers resin and gel coat operations at fiberglass boat manufacturers, paint and coating operations at aluminum boat manufacturers, and carpet and fabric adhesive operations at all boat manufacturers. Air toxics are released during application and curing from the resins, gel coats, adhesives, coating, and solvents used in boat manufacturing. New facilities include those that commenced construction or reconstruction after the date of proposal. This information is being collected to assure compliance with 40 CFR Part 63, Subpart VVVV.

As part of the residual risk and technology review (RTR) for the Boat Manufacturing NESHAP, the Environmental Protection Agency (EPA) is not proposing to revise the emission limit requirements. The EPA is proposing to revise the startup, shutdown, and malfunction (SSM) provisions of the rule and is proposing the use of electronic data reporting for future performance test data submittals, notifications, and reports.

In general, all NESHAP standards require initial notifications, performance tests, and periodic reports by the owners/operators of the affected facilities. Owners/operators are also required to maintain records of the occurrence and duration of any failures to meet applicable standards. These notifications, reports, and records are essential in determining compliance, and are required of all affected facilities subject to NESHAP.

Any owner/operator subject to the provisions of this part shall maintain a file of these reports and records, and retain the file for at least five years following the generation date of such reports and records. All reports are sent to the delegated state or local authority. In the event that there is no such delegated authority, the reports are sent directly to the EPA regional office.

Based on our consultations with the Nation Marine Manufacturer Association (NMMA), our search of the Nation Emissions Inventory (NEI), and a review of active air emissions

permits, we estimate that there are 93 boat manufacturing facilities operating in the U.S. subject to the requirements of the Boat Manufacturing NESHAP. A complete list of facilities subject to the Boat Manufacturing NESHAP is available in the risk assessment modeling file, available for review in the docket (Docket ID No. EPA-HQ-OAR-2016-0447).

Over the next 3 years, 93 respondents per year will be subject to the standard, and no additional respondents will become subject to the standard in the next 3 years of the information collection. The industry growth rate is low. The previous ICR (Docket ID No. EPA-HQ-OECA-2013-0339-0006) estimated 144 respondents, and indicated that one facility was operating add-on controls to comply with 40 CFR part 63, subpart VVVV. At the time of the residual risk and technology review, all 93 facilities were complying with the rule by using compliant materials, and no facilities were complying with the rule using add-on controls.

The Office and Management and Budget (OMB) approved the currently active ICR without any "Terms of Clearance."

The burden to the boat manufacturing industry ("Affected Public") may be found below in Tables 1 through 4 of Attachment 1. The "burden" to the Federal Government is attributed entirely to work performed by either Federal employees or government contractors and may be found Tables 5 through 8 of Attachment 1. In summary, the proposed cost of this ICR to the boat manufacturing industry is \$2.449.000 in labor costs or \$816.000 per year if averaged over the first 3 years after the amendments are final. The total Agency cost during the first 3 years of the ICR is estimated to be \$323,100 or \$107,700 per year. The burden includes the cost to Federal EPA and state agencies to implement the proposed amendments.

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under Section 112 of the Clean Air Act, as amended, to establish standards of performance for each category or subcategory of major sources and area sources of hazardous air pollutants. These standards are applicable to new or existing sources of hazardous air pollutants and shall require the maximum degree of emission reduction. In addition, section 114(a) states that the Administrator may require any owner/operator subject to any requirement of this Act to:

(A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3); and (G) provide such other information as the Administrator may

reasonably require.

In the Administrator's judgment, HAP emissions from boat manufacturing processes and operations either cause or contribute to air pollution that may reasonably be anticipated to endanger public health and/or welfare. Therefore, the NESHAP were promulgated for this source category at 40 CFR Part 63, Subpart VVVV.

2(b) Practical Utility/Users of the Data

The recordkeeping and reporting requirements in these standards ensure compliance with the applicable regulations which were promulgated in accordance with the Clean Air Act. The collected information is also used for targeting inspections and as evidence in legal proceedings.

Performance tests are required in order to determine an affected facility's initial capability to comply with the emission standards. During the performance test a record of the operating parameters under which compliance was achieved may be recorded and used to determine compliance in place of a continuous emission monitor.

The notifications required in these standards are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to check if a pollution control device is properly installed and operated, leaks are being detected and repaired, and that the standards are being met. The performance test may also be observed.

The required semiannual reports are used to determine periods of excess emissions, identify problems at the facility, verify operation/maintenance procedures and for compliance determinations.

The EPA is proposing that owners and operators of affected sources would submit electronic copies of initial notifications required in 40 CFR 63.9(b), notifications of compliance status required in 40 CFR 63.9(h), performance test reports, and semiannual reports through the EPA's Central Data Exchange (CDX), using the Compliance and Emissions Data Reporting Interface (CEDRI). For semiannual reports, EPA would develop a template for the reporting form in CEDRI specifically for 40 CFR part 63, subpart VVVV.

CEDRI includes the Electronic Reporting Tool (ERT) software, which is used by facilities to generate electronic reports of performance tests. EPA is also proposing that 40 CFR part 63, subpart VVVV performance test reports be submitted through the EPA's ERT.

The EPA is also proposing to amend 40 CFR part 63, subpart VVVV to remove an exemption from the emission limitations during periods of SSM and to revise the monitoring, recordkeeping, and reporting requirements that are affected by the amendments to the SSM provisions.

3. Non-duplication, Consultations, and Other Collection Criteria

The requested recordkeeping and reporting are required under 40 CFR Part 63, Subpart

3(a) Non-duplication

If the subject standards have not been delegated, the information is sent directly to the appropriate EPA regional office. Otherwise, the information is sent directly either to the delegated state or local agency. If a state or local agency has adopted its own similar standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, duplication does not exist.

3(b) Public Notice Required Prior to ICR Submission to OMB

A public notice of this collection is provided in the Federal Register notice of proposed rulemaking entitled, "National Emission Standards for Hazardous Air Pollutants: Reinforced Plastic Composites and Boat Manufacturing Residual Risk and Technology Review."

3(c) Consultations

The Agency has consulted industry experts and internal data sources to project the number of affected facilities and industry growth over the next three years. The primary source of information as reported by industry, in compliance with the recordkeeping and reporting provisions in these standards, is the Integrated Compliance Information System (ICIS). ICIS is EPA's database for the collection, maintenance, and retrieval of compliance data for industrial and government-owned facilities. The growth rate for the industry is based on our consultations with the Agency's internal industry experts.

Industry trade associations and other interested parties were provided an opportunity to comment on the burden associated with these standards as they were being developed and these same standards have been reviewed previously to determine the minimum information needed for compliance purposes. In developing this ICR, we contacted the trade association, NMMA, at (202) 737-9757.

It is our policy to respond after a thorough review of comments received since the last ICR renewal as well as those submitted in response to the first *Federal Register* notice. In this case, no comments were received.

3(d) Effects of Less-Frequent Collection

Less-frequent information collection would decrease the margin of assurance that facilities are continuing to meet the standards. Requirements for information gathering and recordkeeping are useful techniques to ensure that good operation and maintenance practices are applied and emission limitations are met. If the information required by these standards was collected less-frequently, the proper operation and maintenance of control equipment and the possibility of detecting violations would be less likely.

3(e) General Guidelines

These reporting or recordkeeping requirements do not violate any of the regulations promulgated by OMB under 5 CFR Part 1320, Section 1320.5.

These standards require the respondents to maintain all records, including reports and notifications for at least five years. This is consistent with the General Provisions as applied to these standards. EPA believes that the five-year records retention requirement is consistent with the Part 70 permit program and the five-year statute of limitations on which the permit program is based. The retention of records for five years allows EPA to establish the compliance history of a source, any pattern of non-compliance and to determine the appropriate level of enforcement action. EPA has found that the most flagrant violators have violations extending beyond five years. In addition, EPA would be prevented from pursuing the violators due to the destruction or nonexistence of essential records.

3(f) Confidentiality

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in Title 40, chapter 1, part 2, subpart B - Confidentiality of Business Information (CBI) (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

3(g) Sensitive Questions

The reporting or recordkeeping requirements in these standards do not include sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents/SIC Codes

The respondents to the recordkeeping and reporting requirements are boat manufacturing facilities. The United States Standard Industrial Classification (SIC) codes for the respondents affected by the standards are SIC 3732 and 3731, which correspond to the North American Industry Classification System (NAICS) 336612 for Boat Building.

Standard (40 CFR Part 63, Subpart VVVV)	SIC Codes	NAICS Codes
Boat Building	3732	336612
	3731	336612

4(b) Information Requested

(i) Data Items

In this ICR, all the data that is recorded or reported is required by the NESHAP for Boat

Manufacturing (40 CFR Part 63, Subpart VVVV).

A source must make the following reports:

Notifications				
Initial notification for existing sources	63.9(b)(2)			
Notification to construct/reconstruct	63.9(b(4)(i)			
Notification of actual startup date	63.9(b)(4)(v)			
Request for extension of compliance	63.9(c)			
Notification that source is subject to special compliance requirements	63.9(d)			
Notification of performance test	63.9(e)			
Notification of opacity and visible emission observation	63.9(f)			
Notification of sources with continuous monitoring systems	63.9(g)			
Notification of compliance status	63.9(h)			

Reports			
First compliance report	63.5764(b)(1)		
Semiannual compliance report	63.5764(b)(3)		

A source must keep the following records:

Recordkeeping				
Copy of each notification a report as submitted and associated documentation	63.5767(a-b)			
Record of weighted-average organic HAP content	63.5767(c)			
Deviation records	63.5767(d)			
Records of monthly inspections and repairs	63.5755			
Records submitted electronically via CEDRI may be kept electronically	63.5770(e)			
Maintain records for 5 years	63.5764(b)			

Electronic Reporting

Some of the respondents are using monitoring equipment that automatically records parameter data. Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping at a plant site.

The proposed RTR amendments include a requirement that facilities electing to use a control device to comply with the NESHAP would be required to submit performance test results to the EPA through the EPA's CEDRI for data collected using test methods supported by the EPA's ERT. The performance test data would be required to be submitted in a file format generated through the use of the EPA's ERT or an alternate electronic file format consistent with the extensible markup language (XML) schema listed on the EPA's ERT Web site. EPA anticipates that no new boat manufacturing operations will become subject to the NESHAP in the next 3 years of the information collection. Therefore, no operations will be required to electronically submit initial performance test data via CEDRI in the next 3 years of the information collection. Sources for which construction or reconstruction commenced on or before the date that these proposed amendments were published in the Federal Register, will be required to electronically submit semiannual reports starting 2 years after the effective date of the final rule or once the reporting form for the report has been available in CEDRI for at least 1-year, whichever date is later.

(ii) Respondent Activities

Respondent Activities

Familiarization with the regulatory requirements.

Install, calibrate, maintain, and operate CMS for opacity, or for pressure drop and liquid supply pressure for control device.

Perform initial performance test, Reference Method 18, 25A, and 311 test, and repeat performance tests if necessary.

Write the notifications and reports listed above.

Enter information required to be recorded above.

Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.

Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.

Develop, acquire, install, and utilize technology and systems for the purpose of disclosing and providing information.

Train personnel to be able to respond to a collection of information.

Transmit, or otherwise disclose the information.

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

5(a) Agency Activities

EPA conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information:

Agency Activities

Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry.

Audit facility records.

Input, analyze, and maintain data in the Enforcement and Compliance History Online (ECHO) and ICIS.

5(b) Collection Methodology and Management

Following notification of startup, the reviewing authority could inspect the source to determine whether the pollution control devices are properly installed and operated. Performance test reports are used by the Agency to discern a source's initial capability to comply with the emission standards, and note the operating conditions under which compliance was achieved. Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

Information contained in the reports is reported by state and local governments in the ICIS Air database, which is operated and maintained by EPA's Office of Compliance. ICIS is EPA's database for the collection, maintenance, and retrieval of compliance data for industrial and government-owned facilities. EPA uses ICIS for tracking air pollution compliance and enforcement by local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and its delegated Authorities can edit, store, retrieve and analyze the data.

The records required by this regulation must be retained by the owner/operator for five years.

5(c) Small Entity Flexibility

A majority of the respondents are large entities (i.e., large businesses). However, the impact on small entities (i.e., small businesses) was taken into consideration during the development of the regulation. Due to technical considerations involving the process operations and the types of control equipment employed, the recordkeeping and reporting requirements are the same for both small and large entities. The Agency considers these to be the minimum requirements needed to ensure compliance and, therefore, cannot reduce them further for small entities. To the extent that larger businesses can use economies of scale to reduce their burden, the overall burden will be reduced.

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown in Tables 1 through 4 of Attachment 1.

6. Estimating the Burden and Cost of the Collection

Tables 1 through 4 of Attachment 1 document the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the subpart included in this ICR. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

We are proposing the elimination of the SSM exemption in this rule. Costs associated with elimination of the SSM exemption were estimated as part of the reporting and recordkeeping costs and include time for re-evaluating previously developed SSM record systems.

The Agency may neither conduct nor sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 7,829 hours. These hours are based on Agency studies and background documents from the development of the regulation, Agency knowledge and experience with the NESHAP program, the previously-approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses the following labor rates:

Managerial \$124.59 (\$59.33 + 110%) Technical \$100.55 (\$47.88 + 110%) Clerical \$45.28 (\$21.56 + 110%)

These rates are from the United States Department of Labor, Bureau of Labor Statistics, "May 2016 National Industry-Specific Occupational Employment and Wage Estimates NAICS 336600 – Ship and Boat Building" The selected labor rates are the mean hourly wage for labor categories 11-1021, 11-3051, and 43-6010 for Managerial, Technical, and Clerical, respectively. The rates have been increased by 110 percent to account for the benefit packages

¹ Available at https://www.bls.gov/oes/current/naics4_336600.htm.

available to those employed by private industry.

(ii) Estimating Capital/Startup and Operation and Maintenance Costs

The type of industry costs associated with the information collection activities in the subject standards are both labor costs which are addressed elsewhere in this ICR and the costs associated with continuous monitoring. The capital/startup costs are one-time costs when a facility becomes subject to these regulations. The annual operation and maintenance costs are the ongoing costs to maintain the monitor and other costs such as photocopying and postage. In the previous ICR (Docket ID No. EPA-HQ-OECA-2013-0339), it was estimated that one facility operated add-on controls to comply with 40 CFR part 63, subpart VVVV. At the time of the RTR, all facilities are estimated to comply with the rule using compliant materials, and no facilities operate add-on controls.

(iii) Capital/Startup vs. Operation and Maintenance (O&M) Costs

The total capital/startup costs for this ICR are zero. The total operation and maintenance (O&M) costs for this ICR are zero. The average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be zero.

6(c) Estimating Agency Burden and Cost

The only costs to the Agency are those costs associated with analysis of the reported information. EPA's overall compliance and enforcement program includes such activities as the examination of records maintained by the respondents, periodic inspection of sources of emissions, and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is estimated to be \$107,700.

This cost is based on the average hourly labor rate as follows:

Managerial \$64.80 (GS-13, Step 5, \$40.50 + 60%)
Technical \$48.08 (GS-12, Step 1, \$30.05 + 60%)
Clerical \$26.02 (GS-6, Step 3, \$16.26 + 60%)

These rates are from the Office of Personnel Management (OPM), 2017 General Schedule, which excludes locality rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear in Tables 5 through 8 of Attachment 1.

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

Based on our research for this ICR, on average over the next three years, approximately 93 existing respondents will be subject to these standards. It is estimated that no additional respondents per year will become subject to these same standards. The overall average number

of respondents, as shown in Tables 1 through 4 of Attachment 1, is 93 per year.

The number of respondents is calculated using the following table that addresses the three years covered by this ICR:

Number of Respondents					
	Respondents That Submit Reports		Respondents That Do Not Submit Any Reports		
Year	(A) Number of New Respondents ¹	(B) Number of Existing Respondents	(C) Number of Existing Respondents that keep records but do not submit reports	(D) Number of Existing Respondents That Are Also New Respondents	(E) Number of Respondents (E=A+B+C-D)
1	0	93	0	0	93
2	0	93	0	0	93
3	0	93	0	0	93
Average	0	93	0	0	93

¹ New respondents include sources with constructed, reconstructed and modified affected facilities.

The total number of annual responses per year is calculated using the following table:

Total Annual Responses				
(A) Information Collection Activity	(B) Number of Respondent s	(C) Number of Responses	(D) Number of Existing Respondents That Keep Records But Do Not Submit Reports	(E) Total Annual Responses E=(BxC)+D
I. Year One				
Familiarization of rule requirement	93	1	0	93
Familiarization with CEDRI and CDX registration	93	1	0	93
Re-evaluating startup, shutdown, and malfunction requirements	93	1	0	93
			Total: Year One	279
_II. Years One, Two and Three				
Semiannual compliance reports of all sources	93	2	0	186
Work practice requirements	93	1	0	93
Record information	93	1	0	93
Total: Years One, Two and Three				372

The number of total annual responses in year one is 651. The total annual labor costs are \$905,000. The number of total annual responses in years two and three are 372 each year. The

total annual labor costs are \$772,000 each year. Details regarding these estimates may be found in Tables 1 through 4 of Attachment 1.

6(e) Bottom Line Burden Hours and Cost Tables

The detailed bottom line burden hours and cost calculations for the respondents and the Agency are shown in Tables 1 through 8 of Attachment 1.

(i) Respondent Tally

The total annual labor hours are 7,829 hours. Details regarding these estimates may be found in Tables 1 through 4 of Attachment 1.

We assume that burdens for managerial tasks take 5 percent of the time required for technical tasks because the typical tasks for managers are to review and approve reports. Clerical burdens are assumed to take 10 percent of the time required for technical tasks because the typical duties of clerical staff are to proofread the reports, make copies and maintain records. No annual capital/startup and O&M costs to the regulated entity are expected for this source category.

(ii) The Agency Tally

The average annual Agency burden and cost over next three years is estimated to be 2,318 labor hours at a total cost of \$107,700. Details regarding this estimate may be found in Tables 5 through 8 of Attachment 1.

We assume that burdens for managerial tasks take 5 percent of the time required for technical tasks because the typical tasks for managers are to review and approve reports. Clerical burdens are assumed to take 10 percent of the time required for technical tasks because the typical duties of clerical staff are to proofread the reports, make copies and maintain records.

6(f) Reasons for Change in Burden

There is only a small increase in the labor hours per respondent in this ICR as compared to the previous ICR. This situation is due to three considerations: 1) time in year one to become familiar with the amended rules and requirements, 2) time in year one to re-evaluating previously developed SSM record systems, and 3) time in year one to become familiar with CEDRI and the electronic reporting form for the semiannual report.

Based on our search of the NEI and EPA's ECHO database (www.echo.epa.gov) and a review of active air emission permits, we estimate that 93 facilities are subject to the Boat Manufacturing NESHAP. A complete list of facilities is available in the modeling data file, which is available for review in the docket for this proposed rulemaking.

6(g) Burden Statement

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB Control Number. The OMB Control Numbers for EPA regulations are listed at 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-OECA-2013-0339. An electronic version of the public docket is available at http://www.regulations.gov/, which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the 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 in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), WJC West, Room 3334, 1301 Constitution Ave., NW, Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the docket center is (202) 566-1752. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OECA-2013-0339 and OMB Control Number 2060-0546 in any correspondence.

Part B of the Supporting Statement

This part is not applicable because no statistical methods were used in collecting this information.

ATTACHMENT 1

- Tables 1 3: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for the Boat Manufacturing NESHAP Residual Risk and Technology Review Years 1-3
- Table 4: Summary of Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for the Boat Manufacturing NESHAP Residual Risk and Technology Review
- Tables 5 7: Annual Agency Burden and Cost of Recordkeeping and Reporting Requirements for the Boat Manufacturing NESHAP Residual Risk and Technology Review Year 1-3
- Table 8: Summary of Annual Agency Burden and Cost of Recordkeeping and Reporting Requirements for the Boat Manufacturing NESHAP Residual Risk and Technology Review