



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
WASHINGTON, D.C. 20460

March 23, 2021

OFFICE OF  
AIR AND RADIATION

**MEMORANDUM**

**SUBJECT:** Collection of Information to Establish the HFC Baseline and Initial Allocations Under the AIM Act (OMB Control Number 2060-NEW; EPA ICR Number 2684.01)

**FROM:** Christopher Grundler, Director  
Office of Atmospheric Programs  
Office of Air and Radiation

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**THRU:** Courtney Kerwin, Director  
Regulatory Support Division  
Office of Mission Support

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**TO:** OMB Desk Officer for EPA's Office of Air and Radiation  
Office of Information and Regulatory Affairs  
Office of Management and Budget

Pursuant to section 3507(j) of the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 et seq.), as implemented in the Office of Management and Budget (OMB) regulations at 5 CFR §1320.13, the Environmental Protection Agency (EPA) is hereby requesting emergency processing of an information collection necessary to establish the hydrofluorocarbon (HFC) baseline and initial allocations under the AIM Act.

This Information Collection Request (ICR) is in response to the December 27, 2020, enactment of the American Innovation and Manufacturing Act (AIM) of 2020, included in the Consolidated Appropriations Act, of 2021. The AIM Act directs EPA to address HFCs by providing new authorities to establish regulatory programs in three main areas: to phase down the production and consumption of listed HFCs, maximize reclamation and minimize releases of these HFCs and their substitutes in equipment, and facilitate the transition to next-generation technologies by restricting use of these HFCs in the sector or subsectors. This collection supports a rulemaking focusing on the first area – the phasedown of the production and consumption of HFCs.

**Information Collection is Essential to the Mission of the Agency**

This ICR will collect data from years 2011-2013 to determine a U.S. production and consumption baseline for HFCs, as well as data from more recent years spanning from 2011-2020 for HFC production and consumption to support development of potential company-specific allowances. In instances where EPA cannot independently verify data reported under the Greenhouse Gas Reporting Program (GHGRP) or in response to this collection, EPA will also need to request

supporting documentation (e.g., through import records) to inform EPA's consideration and determination of a company's eligibility for potential HFC allowances.

The AIM Act also authorizes EPA to collect data to determine required application-specific allowances for:

1. Propellant in metered dose inhalers.
2. Defense sprays.
3. Structural composite preformed polyurethane foam for marine use and trailer use.
4. Etching of semiconductor material or wafers and cleaning of chemical vapor deposition chambers within semiconductor manufacturing sector.
5. Mission-critical military end uses, such as armored vehicle engine and shipboard fire suppression systems and systems used in deployable and expeditionary applications; and
6. Onboard aerospace fire suppression.

EPA will need to request this information to determine the total amounts it needs to allocate under subsection (e)(4)(B)(iv) of the AIM Act.

The most relevant subsections of the AIM Act that provide authority for this collection include subsections (d), (e), and (k).

### **Information Collection Activities Involved in this Emergency Request**

EPA will use two electronic reporting tools to collect and store data for all respondents. For data on HFC production and consumption (primarily imports and exports), EPA will use EPA's electronic Greenhouse Gas Reporting Tool (see attached forms). For data on application-specific allowances and for submission of records to document production and consumption, where requested, EPA will use the Ozone-Depleting Substances Tracking System (these forms are under development).

Data elements requested for entities who are exempt from reporting imports or exports due to annual quantities below the 25,000 MTCO<sub>2</sub>e fluorinated gas threshold or were not required to report during 2011-2013 but are now subject to the GHGRP are consistent with 40 CFR § 98.416 reporting requirements.

Data elements for importers and exporters that have not previously reported to GHGRP are documents such as bills of lading and other Customs records consistent with the recordkeeping provisions in 40 CFR § 82.24, but would be for HFCs, not class II controlled substances (i.e., the same types of records would potentially be requested).

Data elements collected for application-specific allowances include the quantity of HFCs sold and used, composition of those HFCs or blends, application the HFCs are used in, if there are any purity specifications needed, companies supplying HFCs, inventory of HFCs, and potential for transitions from HFCs or HFC blends to alternatives. EPA would seek data from users of HFCs in these applications and the companies supplying them with HFCs.

### **EPA Cannot Reasonably Comply with the Normal Clearance Procedures**

EPA cannot reasonably comply with the normal clearance procedures because under the AIM Act, enacted on December 27, 2020, EPA is statutorily required to establish an allowance allocation

and trading program for HFCs within 270 days (September 23, 2021) and issue allowances for 2022 by October 1, 2021.

### Agency Has Taken All Practicable Steps to Consult with Affected Parties in Order to Minimize Burden

In addition to meetings with individual stakeholders, EPA released a Notice of Data Availability (NODA) on February 11, 2021, requesting comment on the information available at the time, as well as held a stakeholder meeting on February 25, 2021. Further engagement with stakeholders is expected. The Agency has identified which data are already in its possession (e.g., through the market characterizations and in the GHGRP). However, EPA will still need to collect additional data prior to finalization of the HFC Phasedown Rule to ensure it has as complete a data set as possible to inform the rulemaking.

### Requested Time Period for OMB Action

EPA requests that OMB take action on this request as soon as possible. We hope to start collecting data in March.

### Cost Estimates/Burden

The cost estimates and burden for the number of respondents are based on application-specific market characterization reports published with the NODA and import data. The labor cost and hours associated per response have been determined based on similar estimations from previous ICRs for Methyl Bromide and Class II Ozone-Depleting Substances. EPA does not anticipate any capital or operations and maintenance costs.

| Activity  | Responses per Respondent per Year | Technical Hours per Response | Total Hours per Respondent per Year | Technical Cost per Respondent per Year | Respondents per Activity per Year | Total Responses per Year | Total Hours per Year | Total Cost per Year |
|---|-----------------------------------|------------------------------|-------------------------------------|--|-----------------------------------|--------------------------|----------------------|---------------------|
| HFC Imports   | 1                                 | 16                           | 16.0                                | \$1,963                                | 120                               | 120                      | 1,920                | \$235,507           |
| HFC Exports   | 1                                 | 16                           | 16.0                                | \$1,963                                | 5                                 | 5                        | 80                   | \$9,813             |
| HFC Destruction   | 1                                 | 8                            | 8.0                                 | \$981                                  | 11                                | 11                       | 88                   | \$10,794            |
| HFC Suppliers   | 1                                 | 16                           | 16.0                                | \$1,963                                | 20                                | 20                       | 320                  | \$39,251            |
| Propellant in metered dose inhalers   | 1                                 | 38                           | 38.0                                | \$4,661                                | 13                                | 13                       | 494                  | \$60,594            |
| Defense sprays  | 1                                 | 38                           | 38.0                                | \$4,661                                | 10                                | 10                       | 380                  | \$46,611            |
| Structural composite preformed PU foam for marine use and trailer use                   | 1                                 | 38                           | 38.0                                | \$4,661                                | 20                                | 20                       | 760                  | \$93,222            |
| Semiconductor material or wafers and the cleaning of chemical vapor deposition chambers | 1                                 | 38                           | 38.0                                | \$4,661                                | 5                                 | 5                        | 190                  | \$23,305            |
| On board aerospace fire suppression   | 1                                 | 38                           | 38.0                                | \$4,661                                | 2                                 | 2                        | 76                   | \$9,322             |
| <b>Annual Total</b>   |                                   |                              |                                     |  |                                   | <b>206</b>               | <b>4,308</b>         | <b>\$528,419</b>    |

Note: Labor rate is estimated at \$122.66/hour based on \$58.41 (increased by 110% to account for fringe and benefits), the hourly wage rate for professional and related persons, derived from Bureau of Labor Statistics Employer Cost and Employee Compensation. Totals may not sum due to independent rounding.

## Agency Burden

| Activity  | Number of Activities | Total Hours  | Total Cost      |
|---|----------------------|--------------|-----------------|
| Collect and Process Application-specific Data     | 70.0                 | 210.0        | \$18,864        |
| Review and Verify Production and Consumption Data | 136.0                | 299.2        | \$26,591        |
| Provide Reporting Guidance                        | 40.0                 | 40.0         | \$3,468         |
| Conduct Stakeholder Outreach Efforts              | 1.0                  | 54.0         | \$4,705         |
| <b>TOTAL</b>                                      |                      | <b>603.2</b> | <b>\$53,628</b> |