

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

October

14, 2021

AIR AND



OFFICE OF  
RADIATION

**MEMORANDUM**

**SUBJECT:** Information Collection for Initial Reporting of the Hydrofluorocarbon Allowance Allocation and Trading Program (OMB Control Number 2060-NEW; EPA ICR Number 2698.01)

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



**THRU:** Courtney Kerwin, Director  
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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 begin collecting data required by the "Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the American Innovation and Manufacturing Act" rulemaking.

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 required by the final rulemaking titled, "Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the American Innovation and Manufacturing Act." Consistent with and meeting the AIM Act's statutory

directive to issue a final rule within 270 days of enactment, the rule was signed by the Administrator on September 23, 2021, and was published in the Federal Register on October 5, 2021 (see 86 FR 55116). Parts of the rulemaking became operational upon signature, and this ICR is integral for immediate implementation of the AIM Act. EPA anticipates that the following subset of forms will need to be available immediately under this ICR.

Entities must use the following forms to report as early as 11/1/2021:

- 1) One-time Reports for Anti-dumping/Countervailing Duties (due no later than 11/30/2021)
- 2) Applications for the Set-aside Pool of Allowances (due no later than 11/30/2021)
- 3) Petitions for Transformation or Destruction (ongoing)
- 4) Petitions for Destruction (Used) (ongoing)

Entities must use the following forms to report as early as 1/1/2022:

- 5) Request(s) for Additional Consumption Allowance(s) (ongoing)
- 6) Domestic Transfers of Allowances (ongoing)
- 7) Sales and/or Transfers of Application-specific Allowances (ongoing)
- 8) Conferrals of Allowances (ongoing)
- 9) One-time Reports for Reclaimers (due 2/14/2021)

EPA is also seeking approval to use a form on a voluntary basis to facilitate real-time review and clearance of HFC import data:

- 10) HFC Importer Annual Reporting Form

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 leverage two existing electronic reporting systems to collect and track data for all respondents: (1) the electronic Greenhouse Gas Reporting Tool (e-GGRT) and (2) the ozone-depleting substance tracking system (ODSTS). EPA currently uses e-GGRT to collect and store data on greenhouse gases (including HFCs) in accordance with the Greenhouse Gas Reporting Program (40 CFR Part 98), while the ODSTS is used by EPA to collect and track data on ozone-depleting substances that are reported in accordance with 40 CFR Part 82. Both systems are designed to collect and store CBI in compliance with U.S. government security standards.

EPA will use the ODSTS to collect requests for set-aside allowances, antidumping and countervailing duties (AD/CVD) documentation, petitions to import used regulated substances for destruction, and the importer annual form (seeking information on the HFCs a company intends to import and their importer number). EPA will use e-GGRT to collect all other reports listed above, including a supplemental form on past HFC imports for certain set-aside allowance applications. Following submission of data through e-GGRT, the data will be migrated into the ODSTS for the purposes of allowance tracking and management, leveraging the infrastructure of the allowance tracking system implemented for ODS.

Data elements requested for respondents are consistent with 40 CFR 84.15 and 84.31 reporting requirements. Data required from importers and application-specific end-users requesting allowances from the set-aside pool are similar to those covered by the ICR titled "Collection of

Information to Establish the HFC Baseline and Initial Allocations Under the AIM Act” (EPA ICR Number 2684.01). However, the information required under this ICR allows for entities who were not aware of the initial information request to provide the data required to request set-aside allowances.

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

EPA cannot reasonably comply with the normal clearance procedures because under the “Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the American Innovation and Manufacturing Act” final rulemaking, the earliest reporting deadline for several groups of respondents, including applications for the set-aside pool of allowances and reports for Anti-dumping/Countervailing Duties is November 30, 2021. Entities are requesting these forms now so they can report.

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

EPA has held numerous meetings with stakeholders since publication of the proposed rulemaking “Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the American Innovation and Manufacturing Act” (86 FR 27150, May 19, 2021). Further, EPA has been working with stakeholders to review their data and refine the regulatory approach for the final rule published October 5, 2021 (86 FR 55116). This review and consultation, including with other relevant federal agencies under Executive Order 12866 review and since, have informed the development of these forms.

### **Requested Time Period for OMB Action**

EPA requests that OMB take action on this request by October 22, 2021. Delaying collection of this data beyond this date could hinder regulated entities’ ability to comply with the timelines established in the HFC Allocation Final Rule (86 FR 55116).

### **Cost Estimates/Burden**

The respondent universe for this ICR is assumed to cover the period from November 2021 through April 2022 and is based on a review of data available in e-GGRT, the ODSTS, ACE, and the HFC subsector market characterizations (docket ID EPA-HQ-OAR-2021-0044). The cost estimates and burden are based on EPA’s experience collecting similar activity data on HFCs and ODS under the GHGRP (74 FR 56260; October 30, 2009) and 40 CFR part 82, respectively. EPA does not anticipate any capital or operations and maintenance costs.

## Respondent Burden

Respondent Type	Activity	Responses per Respondent	Technical Hours per Response	Total Hours per Respondent	Technical Cost per Respondent	Respondents per Activity	Number of Responses	Total Respondent Hours	Total Respondent Costs
HFC Producers	Provide certification to third party (conferrer)	1	2.0	2.0	\$244	5	5	10	\$1,222
HFC Importer	Submit one-time AD/CVD report	1	2.0	2.0	\$244	305	305	610	\$74,542
	Submit one-time set-aside allowance request	1	6.0	6.0	\$733	40	40	240	\$29,328
	Submit historic import/export data	1	32.0	32.0	\$3,910	20	20	640	\$78,208
	Petition to import HFCs for transformation/destruction	16	2.0	32.0	\$3,910	8	128	256	\$31,283
	Petition to import used HFCs for destruction	1	6.0	6.0	\$733	4	4	24	\$2,933
	Provide certification to third party (conferrer)	1	2.0	2.0	\$244	5	5	10	\$1,222
HFC Exporter	Submit request for additional consumption allowances	2	6.0	12.0	\$1,466	2	4	24	\$2,933
HFC Supplier	Submit conferral request	1	6.0	6.0	\$733	10	10	60	\$7,332
	Provide certification to third party (conferee)	1	2.0	2.0	\$244	10	10	20	\$2,444
	Provide certification to third party (conferrer)	4	2.0	8.0	\$978	10	40	80	\$9,776
HFC Reclaimers	Submit one-time report	1	40.0	40.0	\$4,888	68	68	2,720	\$332,384
HFC Fire Suppression Agent Recyclers	Submit one-time report	1	40.0	40.0	\$4,888	10	10	400	\$48,880
HFC Transfers	Submit inter-company transfer request	2	6.0	12.0	\$1,466	8	16	96	\$11,731
	Submit request to sell/convey HFCs	1	6.0	6.0	\$733	2	2	12	\$1,466
Application-Specific Allowance Holders	Submit conferral request	2	6.0	12.0	\$1,466	20	40	240	\$29,328
	Provide certification to third party (conferee)	2	2.0	4.0	\$489	20	40	80	\$9,776
	Submit one-time set-aside allowance request	1	6.0	6.0	\$733	10	10	60	\$7,332
	Submit one-time report	1	38.0	38.0	\$4,644	10	10	380	\$46,436
<b>Total</b>							<b>797</b>	<b>5,962</b>	<b>\$728,556</b>

Note: Labor rate is estimated at \$122.20/hour based on \$58.19 (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
Review Data for Reporting Completeness and Compliance	542	721	\$72,954
Process Transfer Reports	18	20	\$1,890
Review Petitions to Import HFCs	132	211	\$19,104
Review Set Aside Allowance Requests	50	413	\$38,953
Provide Reporting Guidance	13	52	\$4,884
Conduct Stakeholder Outreach Efforts	1	184	\$18,216
<b>TOTAL</b>		1,600	\$156,001