

**SUPPORTING STATEMENT – INFORMATION COLLECTION REQUEST  
FOR THE ACID RAIN PROGRAM (40 CFR PARTS 72-78)  
(2022 THROUGH 2024 RENEWAL)**

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

**1.1 Title of the Information Collection**

Acid Rain Program (40 CFR parts 72-78), EPA ICR Number 1633.18, OMB Control Number 2060-0258.

**1.2 Short Characterization / Abstract**

The United States Environmental Protection Agency (EPA) is renewing an information collection request (ICR) for the Acid Rain Program. Congress established the program in title IV of the 1990 Clean Air Act (CAA) Amendments to address acid deposition by reducing emissions of sulfur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>). This ICR renewal is generally unchanged from the previous ICR for the program except for adjustments to reflect current labor costs and updated estimates of the numbers of respondents and transactions.

To reduce SO<sub>2</sub> emissions, the Acid Rain Program uses a cap-and-trade system applicable to most large fossil fuel-fired electricity generating units in the contiguous United States. Affected sources are required to hold one tradable allowance for each ton of SO<sub>2</sub> emitted, and the total number of allowances issued is capped. Otherwise unaffected sources may opt into the program, which enables them to receive baseline allowance allocations and then sell allowances to the extent they reduce their emission rates below the levels reflected in their baselines. Any person may buy and sell allowances. EPA is required to conduct an allowance auction each year to promote market liquidity and price transparency.

To reduce NO<sub>x</sub> emissions, the Acid Rain Program applies NO<sub>x</sub> emission rate limits to a subset of affected units. Each such unit may either meet its standard emission rate limit, arrange to comply on a group basis under an averaging plan, or seek approval for an alternative emission limitation (AEL) based on demonstrated inability to meet its otherwise applicable standard limit.

Affected units under the Acid Rain Program are required to monitor opacity and SO<sub>2</sub>, NO<sub>x</sub>, and carbon dioxide (CO<sub>2</sub>) emissions using continuous emission monitoring systems (CEMS) or alternative monitoring methods approved by the EPA Administrator. All affected units are also required to obtain and periodically renew permits that identify their plans for complying with the program's applicable SO<sub>2</sub> and NO<sub>x</sub> requirements

As in previous Acid Rain Program ICRs, most of the topical discussions in this ICR renewal are organized around six program elements established under different CAA sections:

- Allowance transfers (CAA section 403).
- Permits (CAA section 408).

- Emissions monitoring (CAA section 412).
- Auctions (CAA section 416).
- Opt-ins (CAA section 410).
- NO<sub>x</sub> permitting (CAA section 407).

## **2. NEED FOR AND USE OF THE COLLECTION**

This section describes EPA's need and legal authority for the information collections under this ICR. The users of collected information are also described.

### **2.1 Need / Authority for the Collection**

Collection of the information requested from respondents under the Acid Rain Program is expressly required or otherwise authorized by statute, in most cases CAA sections 401 through 416 (42 U.S.C. §§ 7651-7651o) or CAA section 504 (42 U.S.C. § 7661c). The specific statutory authorities are identified below.

#### **2.1.1 Allowance Transfers**

CAA section 403(b) provides for the transfer of allowances among designated representatives of owners and operators of affected sources and any person who holds allowances. Transfers of allowances are not deemed effective until written certification of the transfer, signed by a responsible official of each party to the transfer, is received and recorded by EPA. CAA section 403(d) requires EPA to develop a system for issuing, recording, and tracking allowances (intended to help ensure an orderly and competitive allowance system).

#### **2.1.2 Permits**

CAA sections 403(d) and 408(i) require an affected source's owners and operators to identify a designated representative. CAA section 408 requires the designated representative of the owners and operators of each affected source under the Acid Rain Program to obtain a permit. Section 408 also specifies that the permitting authority, usually a State or local agency, issue the permits with a term of five years.

#### **2.1.3 Emissions Monitoring**

CAA section 412(a) requires the use of CEMS (or alternative monitoring systems demonstrated to be equivalent) at each affected unit's source of emissions. CAA section 504(c) requires each permit (which contains Acid Rain Program applicable requirements) to set forth inspection, entry, monitoring, compliance certification, and reporting requirements to assure compliance with the permit terms and conditions. CAA section 504(a) requires that the results of any required monitoring be submitted to the permitting authority no less often than every six months. The information collection is consistent with satisfying these minimum statutory requirements. Note that reports are submitted quarterly rather than semiannually. The Acid Rain Advisory Committee recommended that EPA collect emissions data on a quarterly basis and this schedule has proven to allow for effective implementation of the program.

Requirements for the collection of CO<sub>2</sub> emissions data are established under section 821 of the 1990 CAA Amendments (Pub. L. 101-549, § 821, 104 Stat. 2399, 2699).

#### **2.1.4 Auctions**

Although participation in the annual auctions is voluntary, the auctions themselves are required under CAA section 416(d) and the information to be collected is necessary for auction administration.

#### **2.1.5 Opt-in**

CAA section 410(a) allows the owner or operator of any SO<sub>2</sub> source that is not an affected unit under CAA section 403(e), 404, or 405 to elect to designate that source as an affected source and receive allowances. Section 410(a) also requires sources opting in to submit a permit application and a compliance plan to the Administrator.

CAA section 410(b) requires the Administrator to establish a baseline utilization rate for SO<sub>2</sub> emissions for opt-in sources based on fuel consumption and operating data for calendar years 1985, 1986, 1987. Section 410(c) requires the Administrator to establish a limit for SO<sub>2</sub> emissions based on the baseline utilization rate and the lesser of the source's actual or allowable 1985 emissions.

CAA section 410(e) requires that the Administrator issue allowances to sources that become affected sources under section 410. The number of allowances is to be based on calculations made under Section 410(c).

#### **2.1.6 NO<sub>x</sub> Permitting**

CAA section 408 specifies that utility owners and operators of affected units must submit permit applications and compliance plans (including NO<sub>x</sub> compliance plans), and the permitting authority must issue permits. Section 408 provides general authority for the information collections related to NO<sub>x</sub> permitting. In addition:

- CAA section 407(e) allows the owner or operator of two or more affected units to petition the permitting authority for a NO<sub>x</sub> averaging plan.
- CAA section 407(d) provides for AELs for units that cannot meet the applicable standard limitation using low-NO<sub>x</sub> burner technology or the technology on which the standard limitation was based. Section 407(d) specifies that an owner or operator requesting an AEL must show the permitting authority that (1) appropriate control equipment has been properly installed, and (2) the equipment has been properly operated for a period of fifteen months (or another period of time as established by regulation) and operating and monitoring data for such period demonstrate that the unit cannot meet the applicable standard emission rate. The owner or operator must also specify an emission rate that the unit can meet on an annual average basis.

## **2.2 Practical Utility / Users of the Data**

### **2.2.1 Allowance Transfers**

Information collected on allowance transfers is used by EPA to track allowances for the purpose of determining compliance with the Acid Rain Program. Information on allowance transfers is also used by participants in the allowance market and the public to evaluate the activities of utilities, and by EPA for program evaluation.

### **2.2.2 Permits**

Acid rain permit applications are used by EPA and permitting authorities to issue operating permits. A permit application is legally binding on the owners, operators, and designated representative of a source until the actual permit is issued. This aspect of the permit application reduces significantly the uncertainty imposed on a source due to possible delays at EPA or the permitting authority. Affected sources may rely on the permit for information on the requirements with which they must comply. Because permit applications and permits are public documents, they may be used by the public to examine activities undertaken by affected sources.

The designated representative certification, which designates a responsible official through whom the owners and operators of each affected source and each affected unit can obtain and maintain permits, trade allowances, and report emissions, serves to remove EPA from involvement in disputes among owners and operators of affected units.

### **2.2.3 Emissions Monitoring**

Data from emissions monitoring are indispensable to successful implementation of the Acid Rain Program for two reasons:

- CAA section 401 states that the primary purpose of the Acid Rain Program is to reduce the adverse effects of acid deposition by reducing annual emissions of SO<sub>2</sub> and NO<sub>x</sub>. For SO<sub>2</sub> emissions, the statutory objective is achieved through an emissions trading program. For NO<sub>x</sub> emissions, the statutory objective is achieved through annual emission rate limitations on certain units.
- EPA can only enforce the SO<sub>2</sub> trading program and the NO<sub>x</sub> emission limitation program by having accurate emissions data for each affected unit. The affected sources' certification of the emissions data, EPA's electronic data audits and EPA's and the permitting authorities' CEMS field auditing all contribute to verifying the overall emissions data integrity.

Electric utilities, energy consultants, and power marketing companies can use the Acid Rain program emissions data to project future SO<sub>2</sub> allowance costs and availability. Academic institutions can perform data modeling to evaluate environmental benefits and estimate health effects of SO<sub>2</sub> reductions. EPA and other agencies use it to try to correlate the reduction of SO<sub>2</sub>

and NO<sub>x</sub> emissions with a decrease in acid precipitation, and also to measure the impacts of other existing and proposed emissions trading programs. Monitoring plan submissions are used by EPA to verify that the emissions monitoring system at each unit is capable of providing quality-assured emissions data and to verify that reported data are being calculated from equations that are appropriate given the parameters that are being measured, and the results of quality assurance tests allow EPA to verify that the monitors are providing quality-assured data on an ongoing basis.

Together, the allowance trading system, operating permits, and emissions data provide the accountability to allow the Acid Rain Program to function without more stringent command and control approaches.

#### **2.2.4 Auctions**

EPA uses the information collected for the allowance auction to conduct and facilitate administration of auctions. The basic information requested requires little evaluation. Bids submitted for auctions are ranked to select winning bidders and to conduct transfers of emission allowances. The auction information results are also used by participants in the allowance market.

#### **2.2.5 Opt-in**

Information collected on opt-in respondents is used by EPA to record which sources are to be designated affected sources, and hence are to be bound by the regulations of the CAAA that are relevant to affected sources.

Opt-in permit applications are used by EPA to issue operating permits. Fuel usage and emissions rate data in the opt-in application are used to allocate allowances to the opt-in source.

The information on annual utilization and the replacement of thermal energy, if covered by a Thermal Energy Plan, contained in the annual compliance report is used by EPA to determine compliance with the Act.

For respondents who choose to withdraw from the program, the withdrawal notification is essential to notify EPA to discontinue the allocation of allowances to the source and enforcement of the acid rain provisions.

#### **2.2.6 NO<sub>x</sub> Permitting**

Information collected on NO<sub>x</sub> compliance plans is used by EPA to evaluate these compliance plans. Information collected on applications for emissions averaging groups or AELs is used by EPA to determine whether to approve these applications. This information may also be used by the regulated community and the public to evaluate the activities of utilities, and by EPA for program evaluation.

### **3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

This section describes (1) efforts by EPA to learn whether the information requested is available from other sources, (2) compliance with public notice requirements, (3) consultations with respondents and data users to plan collections, monitor their usefulness, and minimize the collection burden, (4) effects of less frequent collections, (5) justification for deviations from OMB's general guidelines, and (6) issues related to data confidentiality, and (7) sensitive questions.

#### **3.1 Nonduplication**

Almost none of the information requested from respondents under this ICR is available from other sources. EPA notes that many of the units that are subject to the Acid Rain Program are also subject to other programs, such as the New Source Performance Standards (NSPS). Under programs such as NSPS, sources are required to submit monitoring data reports that match the particular format and averaging time of the applicable emission limits under those standards. Although not the same information as the information provided under the Acid Rain Program, the information is often generated by the same monitoring equipment.

Many of the Acid Rain Program's information collection requirements substantially overlap with information collection requirements of the Cross-State Air Pollution Rule (CSAPR) and Texas SO<sub>2</sub> trading programs under 40 CFR part 97, subparts AAAAA through FFFFF, which are addressed in a separate ICR (OMB control number 2060-0667). The reporting formats for affected sources under the CSAPR and Texas SO<sub>2</sub> programs and the Acid Rain Program are integrated so that a single quarterly submission is used to satisfy the quarterly reporting requirements for all programs. The information collection procedures under the various programs for submitting and updating certificates of representation, identifying retired units, and establishing non-source general accounts in the allowance tracking system are similarly integrated so that in each case, a representative can submit a single form to address the analogous requirements under all applicable programs.

#### **3.2 Public Notice**

EPA provided public notice of the proposed ICR in the Federal Register on April 2, 2021 (86 FR 17381). Two public submissions were made to the docket for the proposed ICR during the comment period, but neither of the submissions contains any comments relating to the proposed ICR.

#### **3.3 Consultations**

The data requirements for the Acid Rain Program were developed with the benefit of extensive consultation with the Acid Rain Advisory Committee (ARAC) during five meetings in 1991 lasting two to three days each. The Committee was composed of representatives of those entities most affected by or interested in the information requirements of the Acid Rain Program. Representation on the Committee was provided for industry, states, and environmental groups. Other parties consulted include the Utility Air Regulatory Group (UARG), the State and

Territorial Air Pollution Program Administrators (STAPPA), and the Association of Local Air Pollution Control Officers (ALAPCO).

Recommendations provided by ARAC strongly supported the use of standardized reporting forms for acid rain permit applications:

- Utilities affirmed that standardized forms reduce uncertainty about what constitutes a complete application and thus reduce the need to supply additional information in a second submission;
- States asserted that the use of standardized forms developed by EPA would reduce the time and effort states will need to implement an acid rain permit program; and
- Environmental groups argued that the use of standardized forms provides greater assurance that permits will be enforceable in a consistent manner nationwide.

Many ARAC recommendations were incorporated into the acid rain regulations regarding permits and the related standardized forms. Comments and suggestions from working groups including UARG, Class of '85 Regulatory Response Group, and the PJM Interconnection also were incorporated in designing the annual compliance forms.

Since the beginning of implementation of the Acid Rain Program, representatives from the utility industry, monitoring equipment vendors, software programmers, consultants working together with utilities, and other interested parties have offered comments on the existing rule requirements, standard forms, and electronic data reporting formats used to implement the emissions monitoring, recordkeeping, and reporting requirements in 40 CFR part 75. EPA has used these comments and experience gained from administering the program to revise the rules, forms, and reporting formats multiple times.

In June 2009, EPA contacted eight companies subject to Acid Rain Program monitoring requirements and asked for voluntary input regarding the number of hours involved in several tasks related to Acid Rain Program monitoring and reporting. Six respondents offered their estimates. EPA reviewed these estimates and found that there was a wide range of expected burden, but that most estimates were within the range of results that might be expected given the average hourly burdens used in the 2007-2009 renewal. The program's regulatory requirements have not changed significantly since that renewal. Minor adjustments to incorporate the burden and costs of the Protocol Gas Verification Program and revised Air Emission Testing Body requirements were made in the 2013-2015 renewal. Thus, while hourly wage rates and other costs elements have been revised to reflect 2020 dollars and the numbers of units subject to the program have been updated, the numbers of estimated hours for each task remain largely unchanged from the three previous ICR renewals for the program.

## **3.4 Effects of Less Frequent Collection**

### **3.4.1 Allowance Transfers**

Collection of allowance transfer information for each transfer of allowances is necessary to effectively implement a system for issuing, recording, and tracking allowances. To facilitate accurate tracking of allowances and to help ensure the orderly and competitive functioning of the allowance system, it is essential that participants be able to report information on allowance transfers as they occur.

### **3.4.2 Permits**

The requirement for the designated representatives of owners and operators of affected sources to submit permit applications every five years is statutory.

### **3.4.3 Emissions Monitoring**

One-time submission of monitoring plans and submission of the results of any required monitoring no less often than every six months are required by statute. Quarterly collection of emissions data allows for frequent checking of data for errors and provides rapid feedback to industry of needed adjustments to data collection systems, thereby promoting more accurate and reliable emissions data. Also, existing federal and state emission monitoring programs often require reporting on a quarterly or even monthly basis. Less frequent collection, i.e., semi-annually, would increase the amount of preparation and review time at the end of the reporting period both for regulated sources and for EPA, and would slow down the process of compliance determination.

### **3.4.4 Auctions**

Collection of bid and payment information for the statutorily required allowance auctions occurs shortly before each annual auction. The auctions could not be conducted without collection of bid information before each auction. Simultaneous collection of payment information ensures that the bids are binding, which is essential to the integrity of the auction process.

### **3.4.5 Opt-in**

Collection of initial permit applications for the opt-in program occurs only once, thus minimizing the respondent burden. This collection is necessary for the operation of the program; without it, EPA would not know which sources wanted to opt in, nor their baseline utilization, nor the lower of their 1985 actual or allowable emission rate. The requirement to renew permits every five years is statutory. Collection of withdrawal notifications occurs only once.

### **3.4.6 NO<sub>x</sub> Permitting**

The Agency is required by statute to include NO<sub>x</sub> compliance plans as part of the Acid Rain permits. As mentioned earlier, Acid Rain permits are renewed every five years, so NO<sub>x</sub> affected sources must submit a NO<sub>x</sub> compliance plan once every five years.

### **3.5 General Guidelines**

This information collection does not violate the general guidelines set forth by OMB. In some cases, records of NO<sub>x</sub> emission rate test results or fuel flowmeter calibration test results may need to be retained for up to five years, but only if the owner or operator chooses to take advantage of the ability to extend the period between tests up to five years. In all other circumstances, monitoring records under part 75 must be kept for only three years. The five-year life of an Acid Rain permit, which is the basis for the requirement to retain records supporting permit applications for five years, is established by CAA section 408(a).

### **3.6 Confidentiality**

None of the information collected will be treated as confidential. CAA section 114(c) specifically requires that estimates or measurements of emissions must be treated as non-confidential.

### **3.7 Sensitive Questions**

This information collection does not ask any questions concerning sexual behavior or attitudes, religious beliefs, or other matters usually considered private.

## **4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

This section lists the major categories of businesses that participate in the Acid Rain Program, the data items requested from program participants, and the activities in which the participants must engage to assemble or submit the required data items.

### **4.1 Respondents / NAICS Codes**

The Acid Rain Program generally applies to fossil fuel-fired combustion sources that serve a generator producing electricity for sale or that did so in 1985. In the North American Industry Classification System, these sources are generally classified as NAICS code 221112 – Fossil Fuel-Fired Electric Power Generation. All of these sources are subject to the program's information collection requirements related to allowance transfers, permits, and emissions monitoring, and a subset of these sources that combust coal are subject to the program's information collection requirements related to NO<sub>x</sub> permitting.

Potential participants in the Acid Rain Program under the opt-in provisions are facilities that emit SO<sub>2</sub> but are not otherwise designated affected units. These sources may be represented

in a wide range of NAICS categories. Opt-in sources are subject to the program's information collection requirements related to allowance transfers, emissions monitoring, and opt-in.

In addition to affected sources (including opt-in sources), any other person may engage in voluntary allowance transfer or auction activities under the Acid Rain Program subject to the respective information collection requirements.

## **4.2 Information Requested**

This section lists the data items requested for the collections described in this ICR. This section also defines the activities in which respondents must engage to assemble, submit, or store these data items.

### **4.2.1 Data Items, Including Recordkeeping Requirements**

#### **A. Allowance Transfers**

*Information regarding individual transfer transactions.* All participants to allowance transfers are required to provide the following information for each allowance transfer:

- Allowance tracking system account number;
- Name, phone number, and facsimile number of the authorized account representative, along with the representative's signature and date of submission; and
- Serial numbers of allowances to be transferred.

*Optional identification of specific allowances for deduction.* In addition, if the designated representative chooses to identify the specific serially-numbered allowances to be deducted from the unit's allowance tracking system account for annual reconciliation, then the following information is required:

- Allowance tracking system account number;
- Type of deduction;
- Serial numbers of the allowance blocks to be deducted; and
- Dated signature of the designated representative.

*Notification for distribution of auction proceeds.* The proceeds from the annual auctions of allowances are generally distributed among affected sources via electronic funds transfer or direct deposit. The sources must notify EPA of information needed to complete the distributions. The following information is required:

- Authorized Account Representative (AAR) Identification;
- Name of the company receiving the payment;
- The company's taxpayer identification number;
- Bank account information;
- Plant name and plant code; and
- Signature of AAR.

*Application for general account in allowance tracking system.* An entity other than an affected source that desires to trade allowances is required to submit a completed general account information application or provide the following information to obtain an allowance tracking system account number, prior to or simultaneous with the first transfer:

- Organization or company name (if applicable);
- Name, mailing address, phone number, and email address of the authorized account representative;
- Name of the alternate authorized account representative (optional);
- A list of all persons subject to a binding agreement for the authorized account representative to represent their ownership interests with respect to the allowances held in the account; and
- Certification statement and the signatures and date for the authorized account representative, and alternate authorized account representative, if any.

## **B. Permits**

Every affected source is required to submit and, when necessary, update a certificate of representation identifying a designated representative authorized to act on behalf of the source's owners and operators. Every affected source is also required to have an Acid Rain permit. Acid Rain permits have five-year permit terms. The permitting authority's operating permits rule governs the issuance of permits to new units and for renewal of existing Acid Rain permits.

*Certificate of Representation.* Affected sources are assigned an allowance tracking system number and appoint a designated representative by submitting a certificate of representation. The data items requested for the certificate of representation are as follows:

- Source identification;
- Unit identification, including;
  - Unit type and category;
  - Date of commencement of commercial operation;
  - Generator IDs of generators served by unit;
  - Nameplate capacity(s) of the generators served by the unit;
  - List of applicable programs that the unit is subject to; and
  - NAICS Code.
- Name, address, email, telephone and facsimile number of the designated representative;
- Name, address, email, telephone and facsimile number of the alternate designated representative;
- List of "owners and operators" of the source and each unit at the source;
- Certification statement;
- Signature of designated representative;
- Signature of alternate designated representative; and
- Date signed.

*Acid Rain Permit application.* A complete Acid Rain permit application includes the following information:

- Identification of the source (plant name, ORIS code, State);
- Identification of affected units;
- A complete compliance plan;
- Standard requirements at 40 CFR 72.9;
- For new units, commence operation date and monitor certification deadline;
- Standard certification; and
- Name and signature of designated representative.

*Exemption for certain new units under 40 CFR 72.7.* Operators of new units that serve generators with a nameplate capacity of 25 MW or less and use fuel with a sulfur content by weight of less than 0.05 percent may obtain an exemption from most requirements of the Acid Rain Program if they submit a certification with the following information:

- Unit Identification;
- Nameplate capacity of each of the generators served by the unit;
- The first full calendar year that the unit will meet the exemption requirements;
- The fuels currently burned by the unit, and that will be burned in the future, and their sulfur content by weight;
- Certification that the owners and operators will comply with all necessary requirements; and
- Standard certification at § 72.21(d)(2).

*Exemption for retired units under 40 CFR 72.8.* Operators of affected units that are retired may obtain an exemption from most requirement of the Acid Rain Program if they submit a retired unit exemption form with the following information:

- Unit identification;
- The date that the unit was (or will be) permanently retired;
- The first full calendar year that the unit will meet the exemption requirements;
- Certification that the unit is permanently retired and will comply with all necessary requirements; and
- Standard certification at § 72.21(d)(2).

All data items requested from permit applicants must be submitted on standard forms. Most of the information requested in the forms is specifically required by law.

### **C. Emissions Monitoring**

Emissions monitoring requirements specify that affected sources must (1) submit a monitoring plan for each affected unit at a source; (2) submit data for certification of each monitor; (3) record hourly operational, pollutant monitor, and flow monitor data for each affected unit; and (4) submit quarterly reports of their emissions data to EPA. Appendix A to this

ICR contains a link to the reporting instructions which include a detailed list of the data items required by the recordkeeping and reporting provisions of 40 CFR part 75.

Respondents are required by 40 CFR 75.64 to submit the quarterly emissions data electronically, by direct electronic submission to EPA, and must also include a certification statement by the designated representative of the unit. EPA requires the certification statement to be submitted electronically unless it approves a hardcopy submission. All records are to be kept for three years, with two possible exceptions under voluntary options that are discussed in section 3.4 of this ICR.

#### **D. Auctions**

For auctions, participants are required to submit an electronic bid and a payment method at least six days prior to the date of the auction. Sealed bids are submitted electronically using the Clean Air Markets Division (CAMD) Business System. Each bid provides the following basic information:

- Name;
- Account number (or new account information);
- Allowance quantity and price; and
- Type of auction (spot or advance).

The bid also specifies an acceptable method of payment for the total bid price. Full payment for allowances -- in an acceptable form -- is required with the bid at the time of submission.

#### **E. Opt-in**

To obtain an opt-in permit, applicants are required to submit a certificate of representation and an opt-in permit application for each source. For all respondents, the application must provide (1) general information on the source; (2) specific data about the source's fuel consumption and operating data for 1985, 1986, and 1987; and (3) data on the source's actual and allowable emission rates for 1985, as well as the current allowable emission rate. For permit applicants who plan to opt in *and shut down*, the compliance plan is based on a statement describing the source's plans for shutting down and replacing thermal energy.

The general information required of all opt-in sources includes the following items, as listed in 40 CFR 74.16 or another section as listed below:

- Source name and location;
- Name, address, telephone and facsimile number of the designated representative;
- Name, address, telephone and facsimile number of the alternate designated representative;
- Statement of certification;
- Complete record of fuel consumption and operating data for calendar years 1985, 1986, 1987, or other acceptable baseline;

- Actual and allowable emission rates for 1985, or if source was not operating in 1985, for a calendar year to be determined by the Administrator, as well as the current allowable emission rate;
- Statement provisions as indicated at § 72.9; and
- Signature of designated representative and date of signature.

In addition, sources that opt in and continue to operate must meet the emission monitoring requirements that were listed above.

As part of the annual compliance certification report required in 40 CFR 74.43 for opt-in units, respondents must report utilization information, and replacement of thermal energy and resulting transfer of allowances. The following information must be reported, as required in 40 CFR 74.44 and 74.47:

- Source name and location;
- Name, mailing address, telephone and facsimile number of source representative;
- Benchmark utilization, annual utilization, average utilization, end-of-year determination of reduced utilization, and the calculation of allowances deducted for reduced utilization (if any);
- Amount of thermal energy replaced (if the source has shut down or if the utilization rate has fallen due to replacement of thermal energy by another source), and the name and location of the source or sources providing replacement thermal energy;
- A calculation of the number of allowances transferred to each source providing replacement thermal energy;
- Allowance tracking system account number of the replacement units; and
- Dated signatures for all designated representatives.

All respondents who choose to withdraw from the program are required to notify the Agency of their decision and provide the following information, as required in 40 CFR 74.18:

- Source account number;
- Name, address, telephone and facsimile number of the designated representative; and
- A certification that emissions requirements will be met through December 31 of the current year, and that all remaining allowances will be surrendered for that compliance period.

## **F. NO<sub>x</sub> Permitting**

An owner or operator of a unit subject to a NO<sub>x</sub> emission limitation may meet the requirements through one of three compliance options: meeting the applicable standard limit, obtaining approval to comply on a group basis as one of multiple units in an emissions averaging plan, or obtaining approval for an alternative emission limit (AEL) based on demonstrated inability to meet the applicable standard limit. Regardless of the compliance option selected, the following elements must be included in the compliance plan for each source:

- Identification of the source;

- Identification of each affected unit at the source that is subject to these regulations;
- Identification of the boiler type of each unit; and
- Identification of the compliance option proposed for each unit.

For units that are choosing standard limits, the designated representative must simply check the appropriate box(es) to indicate the NO<sub>x</sub> compliance plan that is chosen.

For units that are in an averaging plan, the following additional information must be submitted:

- Identification of each unit in the plan;
- Each unit's standard emission limitation;
- The alternative contemporaneous annual emission limitation for each unit (in lb/mmBtu);
- The annual heat input limit for each unit (in mmBtu);
- The calculation for the equation outlined in Step 2 of the EPA form for emissions averaging; and
- The calendar years for which the averaging plan applies.

For an AEL, the designated representative must submit the following information:

*AEL Demonstration Period.* For an AEL, the designated representative must first submit an application for an AEL demonstration period. The application must contain the following information in accordance with 40 CFR 76.10(d):

- Identification of the unit;
- The type of control technology installed;
- Documentation that the installed NO<sub>x</sub> emission control system has been designed to meet the applicable emission limitation and that the system has been properly installed;
- The date the specific unit commenced operation following the installation of the NO<sub>x</sub> control equipment, or the date the specific unit became subject to the emission limitations (whichever is later);
- The dates of the operating period (minimum of three continuous months);
- Certification by the designated representative that the unit and the NO<sub>x</sub> control equipment were operated during the operating period in accordance with specifications and procedures designed to achieve the applicable emission limitation, with the operating conditions upon which the design of the NO<sub>x</sub> control equipment was based, and with vendor specifications and procedures;
- A brief statement describing the reason or reasons an AEL demonstration period is required for the specific unit;
- For the control technology, load range, O<sub>2</sub> range, coal volatile matter range, and percentage of combustion air introduced through overfire air ports;
- Description of planned modifications;
- List of parametric tests to be conducted in accordance with § 76.15;
- Identification of the continuous emission monitoring data submitted pursuant to 40 CFR part 75 that are to be used in assessing this application;
- An interim AEL, in lb/mmBtu; and

- The proposed dates of the demonstration period.

*Final AEL.* After the demonstration period, the owner or operator may petition the permitting authority for a final AEL. The petition must include the following information in accordance with 40 CFR 76.10(e):

- Identification of the unit;
- Certification that the affected unit and the NO<sub>x</sub> control equipment have been properly operated during the demonstration period;
- Certification that the affected unit has installed all emission control equipment, made any operational modifications, and completed any upgrades and/or maintenance to equipment specified in the demonstration period plan;
- A clear description of each step or modification taken during the demonstration period;
- Engineering design calculations and drawings that show the technical specifications for installation of any additional operational or emission control modifications installed during the demonstration period;
- Identification of the continuous monitoring data submitted pursuant to 40 CFR part 75 that are to be used in assessing this application;
- A report, based on the parametric testing, that describes the reasons for the failure of the installed NO<sub>x</sub> control equipment to meet the applicable emission limitation;
- The minimum NO<sub>x</sub> emission rate, in lb/mmBtu, that the affected unit is able to achieve on an annual average basis;
- All supporting data and calculations documenting the determination of the proposed AEL; and
- For affected units that have installed an alternative technology, demonstration that the annual average reduction of NO<sub>x</sub> emissions is greater than 65 percent.

## **J. Recordkeeping**

All records are to be kept for three years, except for permitting records which are to be kept for the duration of the permit, or up to five years and certain new monitoring provisions.

### **4.2.2 Respondent Activities**

#### **A. Allowance Transfers**

Participants in the allowance transfer system that are not affected units are required to perform two tasks: (1) negotiate an agreement to designate an authorized account representative and file an account information application to open an allowance tracking system general account, and (2) complete and submit allowance transfers. Designating an authorized account representative and filing an account information application is required one time only, prior to or concurrently with conducting the first transfer of allowances. For each transfer of allowances, participants are required to complete and submit an allowance transfer form or provide the required information using the CAMD Business System. The designated representative of an affected unit may identify the serial numbers of allowances to be deducted for annual reconciliation using the Allowance Deduction Form.

General account holders and affected units may change the authorized account representatives by submitting a subsequent allowance account information form or certificate of representation form respectively.

## **B. Permits**

The primary tasks to obtain a permit are listed below. These tasks are performed by existing sources required to renew their permits and new units during the period covered by this ICR. In general, sources with existing units, must reapply at least six months prior to the expiration of an existing permit, but the actual timeframe is governed by the permitting authority's operating permits rules.

- Designate a representative of the owners and operators of a source. Read the designated representative certification procedures. Negotiate an agreement to designate a representative for each unit at a source. Complete and submit the certification. This task is only relevant for a new source or if a source changes the designated representative.
- Prepare the permit application. Read the permit application instructions, then collect relevant information for the permit application. Complete the acid rain permit application. Where appropriate, provide specific information to support the use of compliance options for NO<sub>x</sub>. Review the information for accuracy and appropriateness and report the information to the permitting authority.

## **C. Emissions Monitoring**

The primary tasks that are performed by respondents to meet the emissions monitoring requirements are (1) completing and submitting appropriate monitoring plans; (2) conducting tests to certify monitors and submitting test results to EPA; (3) recording hourly emissions and operational data (this activity generally is performed electronically); (4) performing operation and maintenance activities associated with the monitoring, including quality assurance activities; (5) assuring data quality, preparing quarterly reports of emissions data, and submitting these reports to EPA; and (6) responding to error messages generated by EPA as a part of automated data checks or electronic audits, or to field audits conducted by EPA and the permitting authority. In addition, respondents must purchase the necessary monitoring hardware (or pay for fuel sampling and analysis in some cases) and purchase the electronic data reporting software (or software upgrades). EPA's Emissions Collection and Monitoring Plan System (ECMPS) enables sources to run automated quality checks of reports prior to submittal to EPA and reduces the burden of having to respond to EPA generated error messages or follow-up EPA audits.

## **D. Auctions**

The tasks that are performed by auction participants are (1) submitting bids, which requires assessing the desired allowance quantities and prices to include in the bid; and (2) submitting payment information, which requires arranging for funds to be available to pay for any allowances acquired through successful bids.

## E. Opt-in

Opt-in sources must complete three tasks to participate in the opt-in program: (1) submit a permit application, (2) meet monitoring requirements, and (3) submit annual compliance reports. Respondents who choose to withdraw are required to submit a withdrawal notification.

The primary tasks that must be completed to obtain a permit and the activities associated with them are listed below. These tasks will be performed only once during the period covered by this ICR.

- Designate a representative of the owners and operators of a source. Read the designated representative certification procedures. Negotiate an agreement to designate a representative for each source. Complete and submit the certification.
- Prepare the permit application. Read the permit application instructions, then collect relevant information for the permit application. Complete written forms, including an application for an opt-in permit. Review the information for accuracy and appropriateness. Submit the information to EPA, sending copies to the appropriate EPA regional office.

Respondents who opt in and *continue to operate* must also perform the task required under the emissions monitoring section above. Respondents who opt in *and shut down* do not need to perform any tasks related to monitoring.

To withdraw from the program, respondents must notify EPA of their decision to withdraw. Notification entails providing EPA with the data items presented in Section 4.2.1.

Opt-in sources covered by a thermal energy plan, must also report information concerning the replacement of thermal energy, including the identification of the source or sources providing replacement thermal energy, and the allowances transferred as a result of the replacement of thermal energy.

## F. NO<sub>x</sub> Permitting

The primary tasks for a NO<sub>x</sub> compliance plan are listed below.

- Prepare the NO<sub>x</sub> compliance plan application. Read the application instructions, then collect relevant information. Analyze compliance options and plan compliance. Complete written forms. Review the information for accuracy and appropriateness and report the information to the permitting authority and send a copy to EPA. Preparing a NO<sub>x</sub> compliance plan application may include interpreting the rule, collecting information and completing and submitting a NO<sub>x</sub> averaging plan, or an AEL petition.

Because each source must renew its Acid Rain permit every five years, EPA assumes the tasks for permitting will be performed by 20 percent of all NO<sub>x</sub>-affected sources annually, in accordance with Section 408.

## **5. THE INFORMATION COLLECTED -- AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

The first part of this section describes Agency (EPA) and permitting authority activities related to the acquisition, analysis, storage, and distribution of the information collected from (1) participants in allowance transfers, (2) permit applicants, (3) designated representatives of affected sources that are required to submit monitoring plans and emissions data, (4) participants in the annual auction, (5) opt-in sources, and (6) units subject to NO<sub>x</sub> permitting requirements. The second part describes the information management techniques employed to increase the efficiency of collections. The third part discusses issues related to small entities. The last part outlines the schedule for collecting information.

### **5.1 Agency Activities**

#### **5.1.1 Allowance Transfers**

Collections associated with operating the allowance transfer system require EPA to (1) track allowance holders and maintain allowance accounts, (2) review allowance transfer information for completeness and ensure that all requirements are met, (3) record allowance transfers, and (4) notify both participants in a transfer whether the transfer was recorded. EPA has developed a computerized allowance tracking system to track allowances and maintain information on accounts that allow market participants to submit transfers via the internet in real time with instantaneous confirmation.

#### **5.1.2 Permits**

EPA staff administering the permit program perform the following task:

- Review certificates of representation, enter the information in the CAMD database, and notify the representative.

Permitting authority staff, generally at the state or local level, perform the following task:

- Review permit applications and issue permits. Receive and review permit applications and record submissions. Provide notice to applicants whether permit applications are complete. Reformat collected data items to constitute proposed and final permits. Provide opportunities for public comment and participation.

#### **5.1.3 Emissions Monitoring**

The major EPA activities related to emissions monitoring and reporting include (1) reviewing monitoring plans and certification applications, and (2) processing, reviewing and evaluating reports of quarterly emissions data from affected units. EPA's ECMPS computer system tracks and maintains this information. EPA also answers respondent questions and

conducts audits of data submissions and field audits of monitoring systems. The use of the ECMPS software streamlines EPA's process for conducting many of these data checks.

#### **5.1.4 Auctions**

EPA staff administering the auctions receive the sealed bids and payments. The bids are submitted electronically by the participants, and payment is made via wire transfer, certified check, or letter of credit. After bids are received, they are ranked using a computer program and then the allowances are allocated. EPA announces the results by posting them on the EPA website. Finally, after payment is verified, EPA records the transfer of allowances and transfers the auction proceeds to the owners and operators from whom the allowances were withheld. EPA has developed a computer system to run the entire auction.

#### **5.1.5 Opt-in**

EPA staff administering the opt-in permit program perform the following tasks for each opt-in applicant:

- Review certificate of representation, record information, and notify representative.
- Review permit application. Receive and review permit application and record submission. Provide notice to applicant as to whether permit application is complete. Reformat collected data items to constitute proposed and final permit.
- Notify applicant regarding allowances. Notify the opt-in permit applicant of the number of allowances the applicant would receive each year as an opt-in source.

EPA activities related to withdrawals are to process the withdrawal notification and ensure that all unused allowances have been surrendered at the end of the calendar year.

#### **5.1.6 NO<sub>x</sub> Permitting**

Agency staff perform the following task:

- Review NO<sub>x</sub> compliance plan applications. Receive and review applications and record submissions. Provide notice to applicants whether applications are complete.

### **5.2 Collection Methodology and Management**

To ensure consistency nationwide and to expedite (1) data entry and (2) permit issuance, EPA requires that standard reporting forms or equivalent formats or standard electronic reporting formats be used to submit all information to be collected under this ICR.

Currently, respondents to collections for allowance transfer information may submit the required information on a standard written form or using an electronic format. Permit applications are submitted on standard paper forms, as are certifications for new and retired unit

exemptions. EPA requires the information collected under part 75 to be submitted in XML format via direct electronic submission.

Several computer systems and associated databases have been developed to (1) track allowances, (2) record quarterly emissions monitoring data, (3) track auction proceed payments, and (4) calculate the number of allowances to be deducted each year. These systems and databases are designed to provide easy access to information for use by the Agency, states, the regulated community, and the general public. EPA provides access to the data on emissions and allowance activity in both detailed and summary formats on the CAMD website.

### **5.3 Small Entity Flexibility**

In general, pursuant to CAA requirements, all affected sources under the Acid Rain Program are required to submit permit applications and to respond to other collections under this ICR without regard to entity size, except that retired units are exempted from most reporting requirements. The use of standardized forms will enable small entities to understand and complete permit application submissions without the level of staffing which would be necessary in the absence of such forms.

The Acid Rain Program regulations at 40 CFR 72.7 provide a conditional exemption from the program's emissions reduction, permitting, and emissions monitoring requirements for new units having a nameplate capacity no greater than 25 MW that burn fuels with a sulfur content no greater than 0.05 percent by weight. The program's monitoring regulations at 40 CFR 75.19 create an additional exception available to many small units, specifically those that combust gas and/or fuel oil and that have low levels of mass emissions (referred to as LME units). An LME unit must emit no more than 25 tons of SO<sub>2</sub> annually, less than 100 tons of NO<sub>x</sub> annually, and no more than 50 tons of NO<sub>x</sub> during the May-September ozone season (for units subject to part 75 requirements under an ozone season NO<sub>x</sub> program) and must be able to demonstrate continued compliance with these ceilings each year under conservative assumptions. Units that qualify are exempted from certain requirements to install and operate monitoring equipment, conduct fuel sampling, and perform quality assurance or quality control tests. Moreover, emissions reporting requirements are significantly simplified for these units.

Gas- or oil-fired units that do not qualify for the new unit exemption or the LME provisions may still meet criteria that allow for the use of alternatives to CEMS for measuring emissions. As discussed in the Regulatory Impact Analysis (RIA) for the initial Acid Rain rules (October 19, 1992), smaller utilities are more likely to be dependent on these oil- and gas-fired units, especially very small utilities (see pp. 5-14 of that RIA document).

Opportunities to further reduce Acid Rain Program requirements specifically for small entities are limited because of the statutory requirements that all affected units use CEMS (or an equivalent method) to record and report emissions data.

## **5.4 Collection Schedule**

### **5.4.1 Allowance Transactions**

There is no specific collection schedule associated with allowance transactions.

### **5.4.2 Permits**

In general, each Acid Rain permit is effective for five years. Revisions to the permit may be submitted at any time.

### **5.4.3 Emissions Monitoring**

Monitoring plans must be submitted only once, although certain elements of the monitoring plan are submitted (and updated as necessary) routinely as part of the XML format. Only new units will have to apply for certification during the 2022 through 2024 time period. While some monitors will undergo changes which will require an application for recertification, there is no set schedule for recertification.

Quarterly reports are due for each quarter during the life of this information collection request. In addition, EPA has provided for notifications to the Agency for semi-annual or annual quality assurance testing and for situations where a unit will have a revised certification deadline (for example, notifications of unit start-up for new units).

### **5.4.4 Auctions**

The spot and advance auctions are currently held before March 31 of each year. The cutoff date for submission of bids is only a few days prior to the auction in order to limit the time EPA holds the bidders' money.

### **5.4.5 Opt-in**

Opting in to the allowance program requires just one information collection (although monitoring information for affected sources must be collected quarterly). Opt-in permit applications may be submitted to EPA and the permitting authority at any time. Permits must be renewed at that time, and every five years thereafter. Revisions to the permit may be submitted at any time.

Monitoring plans must be submitted only once, at the time the opt-in permit application is submitted. The data upon which EPA will base its certification of each emissions monitor may be submitted after the source receives a draft opt-in permit, but must be submitted before the source may be designated an affected source. (Monitors must be installed, certified by EPA, and operating before the source may be designated an affected source.) Emissions data to meet reporting requirements are collected quarterly, 30 days after the end of each calendar quarter, beginning at the end of the first quarter in which the source becomes an affected source.

Compliance reports must be sent annually. Allowance transfer information must be submitted once for each transfer; a certificate of representation needs to be submitted only once, at the same time as the opt-in application.

Withdrawing requires only one information collection.

#### **5.4.6 NO<sub>x</sub> Permitting**

Acid Rain permits, including NO<sub>x</sub> compliance plans, must be renewed every five years.

## **6. ESTIMATING THE BURDEN AND COST OF COLLECTIONS**

This section estimates the burden and cost of (1) tracking and transferring allowances, (2) obtaining and issuing permits, (3) submitting monitoring plans, obtaining certification of each monitor, and recording and reporting data from CEM systems, including quality assurance, (4) the auction program, (5) the opt-in program, and (6) NO<sub>x</sub> permitting.

First, assumptions regarding allowance transfers are presented, followed by the annual respondent and Agency burden and cost estimates associated with allowance transfers. Subsequent sections separately address the assumptions and burden and cost estimates for permits, emissions monitoring, auctions, opt-in, and NO<sub>x</sub> permitting. Finally, aggregate annual burden and cost estimates to respondents and to EPA for collections covered by this ICR are presented.

*Labor costs.* In estimating labor costs for industry, EPA used the following amounts: \$108.89 per hour for managers and \$77.15 per hour for technicians. EPA used the Bureau of Labor Statistics (BLS) Employment Cost Index (ECI) to adjust labor rates to current year dollars.

The respondent labor costs were adjusted based on the percent difference in the Employment Cost Index from September 2017 (time of previous ICR data) to September 2020 (most current data available). The Employment Cost Index values were obtained from “Table 5: Private Industry; by occupational group and industry” from the Employment Cost Index Historical Listing (<https://www.bls.gov/web/eci/echistrynaics.pdf>). The managerial per hour cost is based on the Employment Cost Index listed under “Management, business, and financial” and “Excluding incentive paid occupations”. The technical per hour cost is based on the Employment Cost Index listed under “Professional and related”. Among the occupations categories that are listed, these most closely matched to the managerial and technical work performed under this ICR.

The labor rate used for technical staff at state agencies is \$52.94 per hour, and the labor rate for managerial employees at state agencies is \$63.49. These labor rates include benefits and overhead, and are derived from data on the Bureau of Labor Statistics website at <http://stats.bls.gov/news.release/ecec.toc.htm>. Wage and salary rates are shown at the link “Table 3: State and local government, by major occupation and industry group (September 2020).” The wage and salary rates from this table account for benefits provided to workers.

Federal Agency labor rates were assumed to be \$84.82 per hour. This labor rate was derived from the federal government's 2021 U.S. Office of Personnel Management General Schedule "Salary Table 2021-GS" ( <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/21Tables/html/GS.aspx> ) using the factors in Table 1 below.

**Table 1: Determination of Federal Wage Rates**

Labor category	Factors	Total
Annual salary of technical staff, GS 13, Step 8		\$98,011
Annual cost of supervisory staff, GS 15, Step 8	\$136,234	
Factor (1/11) applied to cost of supervisory staff	0.09	
		\$12,261.06
Benefits	1.6	
Total cost per FTE		\$176,435.30
Total hourly cost (total cost per FTE divided by 2,080 hours per year)		\$84.82

## 6.1 Tracking, Transferring, and Deducting Allowances

Labor burden and costs for collections associated with tracking and transferring allowances are functions of the number of transfers anticipated. Based on the number of transfers recorded by EPA in 2018 through 2020, EPA assumes that about 670 privately submitted allowance transfers will be made each year, 2022 through 2024.

Affected facilities have the option of identifying specific serially-numbered allowances to be deducted by EPA. Based on the number of submissions for the 2018 and 2019 compliance periods, EPA assumes that approximately 164 affected facilities will submit optional allowance deduction information each year during the period covered by this ICR (2022 through 2024).

### 6.1.1 Estimate of Respondent Burden and Costs for Allowance Transfers and Deductions

Exhibit 1 presents the annual burden and costs to participants in allowance transfers and deductions. Participants that are not affected units are required to negotiate an agreement to designate an authorized account representative and file a new account application; this activity is required only one time, prior to or simultaneously with the participant's first transfer of allowances. All participants are required to complete and submit allowance transfer information for each transfer of allowances. EPA estimates about ten hours to designate an authorized account representative and to open a general account, about two hours to prepare and submit information for an allowance transfer, and about three hours to prepare and submit an optional allowance deduction.

EPA averaged the previous three years number of applications to establish new general accounts (12) and assumed that 10% of all active general accounts (124) will submit a revised application. Assuming that 136 participants will file new or revised general account applications, 670 transfers will be made annually, and 164 deduction forms are submitted, the burden to respondents will be about 3,192 hours annually. The cost to respondents will be about \$285,684 annually.

**EXHIBIT 1  
RESPONDENT BURDEN/COST ESTIMATES FOR  
ALLOWANCE TRANSFERS AND DEDUCTIONS**

<b>Tasks</b>	<b>Burden hours per occurrence</b>	<b>Cost per occurrence<sup>a</sup></b>	<b>Total burden<sup>b</sup> (hours)</b>	<b>Total cost</b>
Designate an authorized account representative and file new account application.				
Managerial.	3	\$326.67	408	\$44,427
Technical.	7	\$540.05	952	\$73,447
Prepare and submit allowance transfer information.				
Managerial.	1	\$108.89	670	\$72,956
Technical.	1	\$77.15	670	\$51,691
Allowance deduction form (optional).				
Managerial.	1	\$108.89	164	\$17,858
Technical.	2	\$154.30	328	\$25,305
<b>Totals</b>			<b>3192</b>	<b>\$285,684</b>

<sup>a</sup> 2020 dollars; managerial hours \$108.89 per hour and technical hours \$77.15 per hour.

<sup>b</sup> Assumes 136 participants file new or revised account applications, 670 transfers are made, and 164 optional deductions are submitted.

**6.1.2 Estimate of Agency Burden and Costs for Allowance Transfers**

Agency burden and costs are divided into those costs associated with implementing a tracking system, and those associated with transferring and deducting allowances.

## A. Allowance Tracking System

The allowance system regulations set the general requirements for the tracking system, which has been developed by EPA. In order to track allowances, the allowance tracking system must include information on (1) allowance allocations for each affected facility, (2) allowance transfers and deductions, and (3) allowance holders. Also, to allow for the transfer of future year allowances, the allowance tracking system will contain allowance information for thirty years into the future. EPA has made the information compiled in the allowance tracking system publicly available on the internet and is continually working to improve electronic access.

EPA incurs annual operation and maintenance (O&M) costs for running an electronic transmission network, system enhancement, general maintenance, and employee salaries. These O&M costs are estimated at \$2.5 million annually.

## B. Transferring and Deducting Allowances

Upon receipt of an allowance transfer notification in hard copy form, EPA will (1) review allowance transfer information for completeness and ensure that all requirements have been met, (2) record allowance transfers, and (3) notify both participants to a transfer whether the transfer was recorded. EPA estimates that it will require an average of one hour to perform these activities for each notification. Upon receipt of an optional allowance deduction form, in hard copy, EPA will record the data into the EPA data system. This is estimated to take about 30 minutes per form.

Recent results indicate that only about one percent of all transfers employ paper forms. So, assuming 7 (out of the 670 total) transfers will be made using paper forms each year and 2 (out of the 164 total) deduction submissions will be on paper, the annual burden to EPA will be about 8 hours. There is no Agency burden when participants use the electronic online transfer system (also used for the optional deduction submission), since all EPA functions are automated. Costs for maintaining the online system are included in the O&M costs. The total cost to EPA will be about \$679 annually. Exhibit 2 summarizes the Agency burden and cost estimates for recording and transferring allowances.

**EXHIBIT 2**  
**AGENCY BURDEN/COST ESTIMATES FOR ALLOWANCE TRANSFERS**

<b>Tasks</b>	<b>Burden hours per occurrence</b>	<b>Cost per occurrence<sup>a</sup></b>	<b>Total burden<sup>b</sup> (hours)</b>	<b>Total cost</b>
Review allowance transfer information, record transfer, and notify transfer participants.	1	\$84.82	7	\$594
Enter deduction data and deduct allowances.	0.5	\$42.41	1	\$85
<b>Totals</b>			<b>8</b>	<b>\$679</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes 7 paper transfer forms and 2 paper optional deduction forms are submitted annually.

## **6.2 Obtaining and Issuing Permits**

This subsection presents estimates of the level of effort required and the associated costs to permit applicants and either EPA or the permitting authority of obtaining and issuing permits. This analysis estimates the cost and burden for new sources required to obtain permits, for sources changing designated representatives, and sources renewing their permits.

All applicants for permits will be required to submit a general acid rain permit application for each affected source that covers all units at the source.

### **6.2.1 Estimate of Respondent Burden and Costs for Permitting**

Exhibit 3 depicts the burden and costs to respondents for (1) selecting a new designated representative, (2) submitting a permit application, (3) submitting a retired unit exemption, and (4) submitting a new unit exemption. Based on the past three years of operation, EPA assumes that each year 845 Certificate of Representation forms will be submitted to appoint new designated representatives, 20 percent of all sources will submit permit applications (this number includes both new sources and sources renewing their permits), 33 units will submit retired unit exemptions, and 33 units will submit new unit exemptions. The total annual respondent burden is estimated to be 14,076 hours. The costs associated with the permitting process are estimated at \$1,371,116 annually.

**EXHIBIT 3  
RESPONDENT BURDEN/COST ESTIMATES FOR PERMITS**

<b>Tasks</b>	<b>Burden hours per occurrence</b>	<b>Cost per occurrence<sup>a</sup></b>	<b>Total burden (hours)</b>	<b>Total cost</b>
Change Designated Representative. <sup>b</sup>				
Managerial.	10	\$1,088.90	8,450	\$920,121
Technical.	5	\$385.75	4,225	\$325,959
Permit applications. <sup>c</sup>				
Managerial.	2	\$217.78	468	\$50,961
Technical.	3	\$231.45	702	\$54,159
Retired unit exemption. <sup>d</sup>				
Managerial.	1	\$108.89	33	\$3,593
Technical.	2	\$154.30	66	\$5,092
New unit exemption. <sup>e</sup>				
Managerial.	1	\$108.89	33	\$3,593
Technical.	3	\$231.45	99	\$7,638
<b>Totals</b>			<b>14,076</b>	<b>\$1,371,116</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes that 854 certificate of representation forms will be submitted.

<sup>c</sup> Assumes 234 sources (20 percent of all affected sources) will submit permit applications each year.

<sup>d</sup> Assumes 33 units will submit retired unit exemptions each year.

<sup>e</sup> Assumes 33 units will submit new unit exemptions each year.

**6.2.2 Estimate of Agency/Permitting Authority Burden and Costs for Permitting**

Exhibit 4 presents the burden and costs to EPA and the permitting authority to review and process permit information. The primary tasks performed by EPA are reviewing certificates of representation and reviewing permit applications. The primary tasks performed by the permitting authority are reviewing and processing permit applications, notifying the public, issuing proposed and final permits, and reviewing new and retired unit exemptions. Reviewing a certificate of representation and determining completeness is estimated to require half an hour. Reviewing the permit application, notifying the public, and issuing proposed and final permits is estimated to require nine hours per occurrence. The total annual estimated burden and cost to EPA and the Permitting Authorities is 2685 hours and \$163,854.

**EXHIBIT 4**  
**AGENCY/PERMITTING AUTHORITY BURDEN/COST ESTIMATES FOR PERMITS**

Tasks	Burden hours per occurrence	Cost per source <sup>a</sup>	Total burden (hours)	Total cost
EPA reviews certificates of representation and records information. <sup>b</sup>	0.5	\$42.41	427	\$36,218
Review permit application, and issue draft, proposed, and final permit. <sup>c</sup>				
Permitting Authority action.	8	\$423.52	1,872	\$99,104
EPA review.	1	\$84.82	234	\$19,848
Receive and process retired and new unit exemptions. <sup>d</sup>				
Permitting Authority action.	2	\$105.88	132	\$6,988
EPA review.	0.3	\$25.45	20	\$1,696
<b>Totals</b>			<b>2685</b>	<b>\$163,854</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes 854 sources submit a certificate of representation.

<sup>c</sup> Assumes 234 sources (20 percent of all affected sources) will submit permit applications each year.

<sup>d</sup> Assumes 33 retired and 33 new unit exemptions are submitted each year.

### **6.3 Emissions Monitoring, Recording, and Reporting**

This subsection estimates the burden and cost of submitting monitoring plans, obtaining certification of each monitoring system, conducting monitor quality assurance activities, recording and reporting data from CEM systems (or approved alternatives), and other ancillary activities (such as responding to EPA generated error messages, or responding to EPA audits).

CAA section 412 requires all affected sources to install SO<sub>2</sub> and NO<sub>x</sub> CEMS, continuous opacity monitors (COMS), and flow monitors (or approved alternatives). EPA requires that all affected units required to install CEMS use a data acquisition and handling system (DAHS) to record hourly CEMS and flow monitor data in the XML format. Affected gas- and oil-fired units may elect to use the approved alternative SO<sub>2</sub> monitoring method and record fuel sulfur analysis data, and then use a DAHS to record and report hourly fuel flow values from a fuel flowmeter in the XML format. In addition, peaking units that burn natural gas and/or fuel oil may use an excepted method for calculating NO<sub>x</sub> emission rates. Finally, EPA allows certain low mass emissions (LME) units to use assumed emission factors together with operational data to calculate emissions.

Affected sources are required to complete and submit a monitoring plan and obtain certification of each monitor (on standard forms) for each affected unit at the source. These plans and certifications, which are only submitted once, have already been submitted for most units. Sources, however, may need to submit revised plans or even recertify if they change some aspect of their existing plan. New units will still need to submit plans and certifications for the first time. In addition, all affected units are required to submit quarterly reports of their emissions data to EPA; these reports include much of the basic monitoring plan data as well.

To quantify the respondents' burdens and costs, EPA has analyzed existing data reported by the affected sources and developed model unit categories to classify and characterize the affected population. The estimated numbers of units using each model reflect an assumption that approximately 30 new units become affected each year, apportioned among the different monitoring methodologies consistent with recently constructed new units.

- Model A (units with SO<sub>2</sub>, NO<sub>x</sub>, CO<sub>2</sub>, and flow CEMS): 616 total units.
- Model B (units with opacity CEMS solely as a result of the Acid Rain Program): 764 total units. (Note: these units also are classified under other models for SO<sub>2</sub>, NO<sub>x</sub>, and CO<sub>2</sub> requirements.)
- Model C (units with appendix D monitoring for SO<sub>2</sub> and CEMS for NO<sub>x</sub>): 2231 total units.
- Model D (units using appendix D for SO<sub>2</sub> and appendix E for NO<sub>x</sub>): 255 total units.
- Model E (units using the LME methodology): 190 total units
- Model F (units with moisture monitors necessary for moisture correction): 24 total units. (Note: these units are also classified under Model A for other requirements.)

To estimate the burden and/or cost for each model, EPA has relied on the estimates included in the prior ICR renewal for labor hour estimates of each activity. EPA also incorporated the additional annual O&M costs from EPA ICR Number 2203.04, OMB Control Number 2060-0626. The hourly labor rates for managerial, technical and clerical staff reflect the labor rates used in the existing ICR but are updated to 2020 dollars using the Bureau of Labor Statistics Employment Cost Index, consistent with Agency ICR guidance.

### **6.3.1 Estimating Respondent Burden**

The primary tasks performed by owners and operators of affected units are (1) reviewing the regulations, forms and instructions, (2) responding to EPA generated error messages and audits, (3) installing and reprogramming a DAHS and debugging the software, (4) completing and submitting monitoring plans for each unit at the source, (5) performing appropriate tests and providing test results to certify each monitor, (6) performing quality assurance testing and maintenance upon monitors, and (7) assuring the quality of emissions data, preparing quarterly reports of emissions data, and submitting reports to EPA.

## **A. Regulatory Review**

The estimate for time to review instructions and requirements remains consistent with the labor estimates used in previous ICRs (four manager hours and four technician hours) where no substantial changes have been made to the rule. These estimates apply at the facility level and cover reviews independent of the reviews that may occur as part of the reviewing task areas listed below. EPA continues to make available [Part 75 Emissions Monitoring Technical Q&As](#), as well as tutorials, questions and answers, and other guidance documents for using ECMPS. Part 75 is available online through the electronic [Code of Federal Regulations \(e-CFR\)](#). In addition, EPA in 2005 posted online a text version of its [Plain English Guide to Part 75](#).

## **B. Response to Error Messages/Audits**

EPA provides feedback to sources so that suspected errors in submissions by sources are noted and corrected. With the use of the ECMPS software, this occurs before formal data submission because the ECMPS client tool checks all data with more than 1,000 QA checks, prior to the data being submitted. Thus, EPA believes that the burdens for this activity will decrease over time. At the same time, however, EPA has increased its audit oversight and expects to continue to conduct a number of electronic and field audits of facilities over the next few years. In particular, EPA makes significant use of electronic audits as a means to provide continuous data quality improvement. This effort has already been factored into respondent burden. In addition, if EPA and the permitting authorities conduct a field audit, the burden to a source could involve from 24 to 36 hours. However, on a per unit basis, these field audit impacts are less significant because not every unit will be subject to an audit in a particular year. EPA projects no more than ten audits per year for the agency and no more than ten audits per year for each permitting authority. If the average burden of an audit is 30 hours per audit, the per unit burden for all units that would be associated with EPA's or the permitting authority's audit activities is less than one hour of burden per respondent. Note that, because this activity should be inapplicable for the simplified reporting required of low mass emissions units, the total number of respondents for this activity excludes the LME units.

## **C. DAHS Upgrade and Debugging**

During the years immediately preceding the 2010 – 2012 ICR, sources installed computer software designed to implement updated electronic data reporting using XML formats required under the Acid Rain Program. The ongoing annualized capital costs for ARP facilities associated with that DAHS upgrade are accounted for in this ICR.

## **D. Monitoring Plans**

Completing and submitting monitoring plans is estimated to require an average of about 20 hours per unit initially. For existing units, initial monitoring plan submissions have been received prior to the time period covered in this renewal ICR, and, consistent with the existing ICR, EPA does not include burden hours for existing units under this initial monitoring plan development task area during 2022 through 2024. The burden associated with revising the

monitoring plan is included in the time for preparing and submitting each quarterly emissions report.

Based on EIA's projected one percent per year increase in electricity generating capacity, EPA projects that the number of new units in 2022 through 2024 will increase approximately one percent per year over the number of units reporting in 2020. These units have a separate line item for initial monitoring plan preparation.

### **E. Monitor Certification**

Based on information gathered as part of the 1999 rule revisions, EPA included assumptions in the previous ICR renewal to include labor burdens for monitor certification activity as well as test contractor costs. For existing units, only recertifications are included in the estimated activities for 2022 through 2024. The Agency estimates a labor burden of 50 hours and a contractor cost of \$5,064 per respondent. The cost and burden figures exclude the costs and burdens associated with conducting a RATA as part of the recertification process because those costs are incorporated within the annual QA costs for previously certified monitoring systems.

Under part 75, sources are required to recertify the monitoring systems whenever the source makes a replacement, modification, or change in a certified CEMS or continuous opacity monitoring system that may significantly affect the ability of the system to accurately measure or record the SO<sub>2</sub> or CO<sub>2</sub> concentration, stack gas volumetric flow rate, NO<sub>x</sub> emission rate, or percent moisture, or to meet the QA and QC requirements. Recertification is also necessary whenever the source makes a replacement, modification, or change to the flue gas handling system or unit operation that may significantly change the flow or concentration profile. Examples of changes which require recertification include replacement of the analyzer, change in location or orientation of the sampling probe or site, and complete replacement of an existing CEMS or continuous opacity monitoring system.

For new units, the monitor certification costs are included in the capital/startup costs.

### **F. Quality Assurance**

Quality assurance (QA) testing and maintenance upon monitoring systems is the largest burden item under the monitoring, reporting and recordkeeping requirements for the Acid Rain Program. The requirements include daily, quarterly and annual QA requirements, depending on the monitoring approach being used. For reporting units that use a full set of CEMS (SO<sub>2</sub>, flow, NO<sub>x</sub>, and CO<sub>2</sub>), the Agency has developed a per unit labor burden based primarily on information gathered from affected sources. For units that also are required to install and maintain a continuous opacity monitoring system (COMS) as a result of part 75, additional labor burdens apply. For units that rely on appendix D excepted methods for SO<sub>2</sub> but use a NO<sub>x</sub> and CO<sub>2</sub> CEMS, reduced labor burden estimates apply because the quality assurance activities for the excepted methods are less than for a CEMS. The labor burdens for these excepted methods were derived primarily from cost estimates provided by a group of affected utilities (see Docket A-97-35, Item II-D-48). For units that rely on the excepted methods under both appendix D and E (i.e., units without CEMS), the burden estimates are reduced further because no CEMS QA is

required. For the relatively small number of units that require moisture correction, labor burdens for moisture monitoring QA activities were added based on information supplied by an affected utility (see Docket A-97-35, Item II-D-94). Finally, for units that use the LME provisions, no QA requirements apply except for units that use the unit-specific value option. Those units are required to test the unit to determine a unit-specific value. That cost has been included as a contractor cost for all new LME units. In addition to previously established quality assurance costs, like the existing ICR, this renewal ICR incorporates burdens from EPA ICR Number 2203.04, OMB Control Number 2060-0626. Using the data discussed above, EPA estimates that the average respondent (using a weighted average for the units that fall under Models A – F) will require approximately 450 labor hours to meet the QA requirements of part 75. Consistent with the existing ICR, this labor is expected to be almost entirely technician labor.

### **G. Quarterly Reports**

Tasks performed by utilities in preparing quarterly reports include: (1) assuring the quality of the data, (2) preparing the quarterly report, (3) revising the monitoring plan, if necessary, (4) preparation of hard copy documentation accompanying the quarterly reports, and (5) managerial review. EPA has been improving electronic file transfer procedures over the past few years and has been developing automated tools that allow sources to quality assure their reports. EPA believes these efforts have reduced the average burdens per report over time. In addition, because the program is maturing, the respondents have developed procedures and methods to increase their efficiency with reporting. The 1996 ICR estimated 240 hours per unit for this activity. As a result of the 1999 part 75 revisions, this estimate was decreased to 204 hours, but that estimate was not based on consideration of potential changes in burden that may have occurred outside the scope of the specific reduced reporting requirements in the 1999 rule revisions. Based on consultations with a few utility representatives in 2002, EPA determined that this burden activity area significantly overstated the average burden levels, although it may have been accurate for some units. The contacts provided a fairly wide range of estimates for this activity, however, and thus EPA conservatively used a 102 hour per unit estimate in the 2002 ICR renewal (a 50 percent reduction from the 1999 ICR). This burden estimate was used in the prior ICR renewal as well. In the previous ICR, consultations with affected sources continued to show a wide range of estimates for this activity. EPA contacted several sources in September 2012 to determine if these prior estimates were still valid or should be revised upward or downward. No significant changes were needed. EPA will use the same estimates for this renewal. For LME units, the estimate remains at 16 hours per year for each LME unit.

#### **6.3.2 Estimating Respondent Costs**

Exhibit 5 summarizes the annual respondent costs. The following discussion describes how those costs were derived.

##### **A. Estimating Total Capital and Annual Operations and Maintenance Costs**

Capital/start-up costs include the cost of installing required CEMS or alternatives. The Agency developed the capital cost estimates for the CEM and other equipment based on EPA CEM cost models, existing ICRs, and comments from various affected utilities. The cost

estimates vary depending on the number and type of monitors that are required. Annualized capital cost estimates are included for each of the Models A – F on Exhibit 5. These annualized capital costs were originally drawn from CAIR EPA ICR #2152.05 (OMB Control Number 2060-0570). The annualized costs ranged from \$30,282 for units with a full set of CEMS (Model A), to \$19,661 for a unit that uses NO<sub>x</sub> CEMS and appendix D methods (Model C), to \$2,359 for units that use both appendix D and appendix E methods without any CEMS (Model D). There are no capital/start-up costs for LME units. A discussion of how the capital/start-up costs were annualized follows in Section C. Annualizing Capital Costs. As noted earlier, this ICR includes annualized capital costs for recent DAHS upgrades at all ARP facilities.

In addition to capital/start-up costs, respondents incur operation and maintenance (O&M) costs (exclusive of labor costs) that reflect ongoing costs to a unit. These costs include both contractor costs for the required recertification, diagnostic, and quality assurance (QA) testing, and other direct maintenance-related expenses (e.g., spare parts and calibration gases). The cost estimates used in this renewal ICR were derived from EPA CEM cost models, existing ICRs, Agency staff experience, information gathered during development of the 1999 and 2002 part 75 revisions, and supplemental estimates provided by affected utilities and others related to the various cost items (see, e.g., EPA Air Docket A-97-35, Item II-D-48). These O&M costs include the permanent increase due to incorporation of the ARP burdens associated with EPA ICR Number 2203.04, OMB Control Number 2060-0626. The total cost for these operation and maintenance cost items (other than fuel sampling) is estimated at \$31,949 for a unit with a full set of CEMS, while units that use alternate methodologies have reduced costs.

Note that testing contractor costs for certification, recertification and annual RATAs are presented as other direct costs and are not converted to equivalent source labor hours. This approach is consistent with the common business practice for obtaining outside contractors to conduct certification/recertification tests and annual relative accuracy test audits. For initial certification, the certification test costs are commonly bundled with equipment purchase contracts, according to information provided by a range of CEMS equipment vendors. For RATAs that are conducted either as part of the annual quality assurance requirements or as part of recertification, industry contacts have indicated that RATA testing is usually performed under a fixed price contract basis, except for travel costs that may be billed on an hourly basis beyond the basic contract cost. For annual RATAs, the sources indicated that an annual contract between a testing company and utility is often used. One municipal utility representative indicated that the applicable municipal regulations required that outside contracts be on a flat fee, not hourly, basis.

## **B. Capital/Start-up vs. Operating and Maintenance (O&M) Costs**

Capital costs reflect one-time costs for purchase of equipment which will be used over a period of years. Conversely, operating and maintenance costs are those costs which are incurred on an annual or other scheduled basis. For instance, costs associated with quality assurance activities, such as spare parts or contractor costs for work, will be incurred on an annual basis.

## **C. Annualizing Capital Costs**

Capital costs for this ICR were annualized at a rate of seven percent (i.e., the annualized capital cost was calculated assuming money to purchase the capital equipment was borrowed at a seven percent annual interest rate). The cost of the loan was amortized over the life of the loan to repay the original borrowed amount plus interest. The result is the annualized capital cost reported. The annualized cost of the necessary monitoring equipment capital purchases varies from \$2,359 to \$30,282, per year, per unit, depending on the type of monitoring methodology. Exhibit 5 contains a breakdown of annual costs by monitoring methodology.

### **6.3.3 Estimating the Respondent Universe and Total Burden and Costs**

Based on the number of units reporting in 2012 and the EIA projection that electricity generation capacity will increase by about one percent per year, EPA estimates that, during the 2022 – 2024 time period: (a) 1,184 sources will review instructions and requirements; (b) 1,148 sources (this number excludes sources with only low mass emissions units and new units) will reprogram and debug DAHS computer software; (c) 3,326 units will submit quarterly reports (including 164 units using the LME methodology that submit simpler reports); and (d) 3,162 units will respond to EPA generated error messages (of which about ten units will also respond to EPA audit activities), and perform QA testing and maintenance (units using the LME methodology are excluded from these activities). EPA estimates that approximately 600 units will recertify annually from 2022 through 2024. Exhibit 5 shows the total burden and total cost based on this respondent universe.

**EXHIBIT 5**  
**RESPONDENT BURDEN/COST ESTIMATES FOR EMISSIONS MONITORING**

Task	Mgr. \$108.89/ hour	Tech. \$77.15/ hour	Respondent hours/year	Labor cost/year	Cont./O&M cost	Capital/ start-up cost	No. of respondents	Total hours/year	Total cost/year
Review instructions and requirements.	4	4	8	\$744			1,169	9,352	\$869,736
Respond to EPA-generated error messages and EPA and permitting authority field audits.	6	18	24	\$2,042			3,162	75,888	\$6,456,804
DAHS upgrade.			0	\$0		\$570	1,169	0	\$666,330
DAHS debugging.	4	12	16	\$1,361			1,169	18,704	\$1,591,009
New unit monitoring plans.	10	10	20	\$1,860			33	660	\$61,380
Recertify monitors.	38	12	50	\$5,064	\$3,482		600	30,000	\$5,127,600
Startup/capital items and perform QA testing and maintenance.			0	\$0				0	\$0
Model A (CEMS).	50	480	530	\$42,477	\$31,949	\$30,282	616	326,480	\$64,500,128
Model B (COMS).		171	171	\$13,193	\$295	\$3,733	764	130,644	\$13,156,844
Model C (appendix D, NO <sub>x</sub> CEMS).	20	375	395	\$31,109	\$17,818	\$19,661	2,231	881,245	\$153,019,828
Model D (appendices D and E).	5	30	35	\$2,859	\$1,843	\$2,359	255	8,925	\$1,800,555
Model E (LME).			0	\$0	\$1,991		190	0	\$378,290
Model F (H <sub>2</sub> O).		40	40	\$3,086	\$8,192	\$895	24	960	\$292,152
Assure data quality, prepare reports (incl. monitor plan update), submit reports.	20	82	102	\$8,504			3,162	322,524	\$26,889,648
LME quarterly reporting.	4	12	16	\$1,361			164	2,624	\$223,204
PGVP cylinder costs									\$43,392
<b>Totals</b>								<b>1,808,006</b>	<b>\$275,076,900</b>

Capital cost and O&M cost are based on previous ICR.

Annualized capital costs for DAHS upgrades were drawn from the proposed DAHS upgrade ICR (EPA Docket EPA-HQ-OAR-2005-0132).

### 6.3.4 Estimating Agency Burden and Cost

The tasks that will be performed by EPA include processing, reviewing, and evaluating emissions data reports submitted by utilities, and conducting appropriate CEMS and data audit activities to verify the information provided. The estimated Agency burden remains at one hour per report, consistent with the previous ICR. EPA's increased audit oversight efforts are more than offset by burden reductions from increasing familiarity with the program and improved automated tools. Assuming that affected sources will submit 3,326 emissions reports to EPA per quarter, the total annual burden incurred by the Agency will be 13,304 hours. The total annual cost to EPA for processing, reviewing, and evaluating these quarterly emissions reports will be approximately \$1,130,840. This ICR also incorporates the agency burden previously calculated under EPA ICR Number 2203.04, OMB Control Number 2060-0626 which results in an increase of 140 additional hours on an annual basis. Exhibit 6 summarizes the Agency burden and costs associated with emissions reporting including conducting CEMS audits and reviewing CEMS audits conducted by government contractors.

**EXHIBIT 6  
AGENCY BURDEN/COST ESTIMATES FOR EMISSIONS REPORTING**

Tasks	Hours per report	Quarterly cost per report <sup>a,b</sup>	Number of reports <sup>c</sup>	Total burden per year (hours)	Total cost
Process, review, and evaluate quarterly report and issue feedback letter.	1	\$84.82	13,384	13,384	\$1,135,231
Conduct and review EPA field audits	35	\$2,968.70	10	350	\$1,039,045
Independent contractor CEMS audits	0	\$0.00	0	0	\$68,333
Manage PGVP, AETB <sup>d</sup>	-		-	140	\$6,929
<b>Totals</b>				<b>13,874</b>	<b>\$2,249,538</b>

<sup>a</sup> Based on an average total compensation rate of \$84.82 per hour.

<sup>b</sup> Updated to 2020 dollars.

<sup>c</sup> Assumes 3,326 emission data reports each quarter and an average of 10 CEMS audits per year.

<sup>d</sup> See appendix B of the previous ICR renewal for background on how this burden was derived.

### 6.4 Auctions

This subsection presents estimates of the burden and costs to participants and EPA associated with the auction program.

Auctions are held only once a year. No restrictions are placed on the number of allowances for which a participant may bid. Multiple bids from a given participant are permitted, but each bid is treated individually and requires a separate bid submission. Based on the average number of bids in the past three auctions, EPA estimates that 6 bids will be received each year.

### 6.4.1 Estimate of Respondent Burden and Costs

Exhibit 7 depicts the burden and costs to auction participants. Auction participants must complete and submit the information electronically along with a certified check, letter of credit, or wire transfer. EPA estimates that the auction bid submission takes approximately 30 minutes to prepare, and obtaining a means of payment takes approximately one hour. This estimate includes time allocated to research the required information, enter the information on-line, arrange for a certified check, letter of credit, or wire transfer, and send the material to EPA. The burden and cost to auction participants is estimated to be 9 hours and \$922.88 per year respectively.

#### EXHIBIT 7 RESPONDENT BURDEN/COST ESTIMATES FOR AUCTIONS

Collection activities	Burden hours per bid	Cost per bid <sup>a</sup>	Burden hours per year	Cost per year
Submitting bid information. <sup>b</sup>	0.5	\$51.27	3	\$308
Obtaining means of payment. <sup>b</sup>	1	\$102.54	6	\$615
<b>Totals</b>	<b>1.5</b>	<b>153.81</b>	<b>9</b>	<b>\$923</b>

<sup>a</sup> Based on an average rate of \$102.54 per hour (for costing purposes, it is assumed that 80 percent of the total hours will be Managerial (\$108.89 per hour) and 20 percent will be Technical (\$77.15 per hour). These estimates are based on 2020 dollars.

<sup>b</sup> The 6 bids represents an average number of bids over the past three EPA auctions.

### 6.4.2 Estimate of Agency Burden and Costs

Exhibit 8 depicts the burden and cost to EPA for the auction program. Based on past experience, the burden and cost to the Agency will be about the same each year. Setting up and revising allowance tracking system accounts for auction participants is estimated to take one hour, the handling of bid information and checks is estimated to take 10 hours, tabulation, checking, and announcing the auction results is estimated to take fifteen hours, and transferring allowances and proceeds is expected to require 40 hours per year. As Exhibit 8 shows, the total burden to EPA for auction activities is 66 hours at a cost of \$5,598.

**EXHIBIT 8**  
**AGENCY BURDEN/COST ESTIMATES FOR AUCTIONS**

Collection activities	Burden hours per year	Cost per year <sup>a</sup>
Setup allowance tracking system accounts.	1	\$85
Handle bids and checks.	10	\$848
Tabulate, check, and announce results.	15	\$1,272
Transfer of allowances and proceeds.	40	\$3,393
<b>Totals</b>	<b>66</b>	<b>\$5,598</b>

<sup>a</sup> 2020 dollars.

### **6.5 The Opt-in Program**

This subsection describes projections for (1) the number and types of sources that elect to participate in the opt-in program for the time period covered by this ICR, (2) the paperwork burden hours for both respondents and EPA associated with the program, and (3) the total costs of the tasks required by the opt-in program.

EPA has not received an opt-in application in over 10 years and does not anticipate receiving any applications during the 2022-2024 time frame. The following section is retained with actual estimates for new applications set to zero. Since 2019, zero units in the Acid Rain Program report as opt-in sources.

#### **6.5.1 Respondent Burden/Cost Estimates for the Opt-in Program**

The tasks for opt-in sources are divided between permitting and annual reconciliation. This section includes only the burden for these task categories for opt-in sources. Those affected sources covered by the mandatory requirements of the Acid Rain Program are covered in previous sections. Burden and cost of opt-in sources related to emissions monitoring is covered above with the analogous burden and costs for other affected sources.

#### **A. Opt-in Permit Applications**

EPA estimates that no sources will submit opt-in permit applications in the years covered by this ICR. Sources that file an application must select a designated representative, report operating and fuel consumption data from past years, and report the actual and allowable emissions rates for 1985 (or their first year of operations, if after 1985) as well as the current allowable emission rate. As shown below in Exhibit 9, EPA estimates a burden of zero hours and no additional cost for this activity.

**EXHIBIT 9**  
**RESPONDENT BURDEN/COST ESTIMATES FOR OPT-IN PERMIT APPLICATIONS**

Tasks	Burden hours per occurrence	Cost per occurrence <sup>a</sup>	Total burden (hours)	Total cost
Select a designated representative. <sup>b</sup>				
Managerial.	20	\$2,177.80	0	\$0
Technical.	7	\$540.05	0	\$0
Prepare opt-in permit application. <sup>b</sup>				
Managerial.	20	\$2,177.80	0	\$0
Technical.	85	\$6,557.75	0	\$0
Prepare thermal energy compliance plan.				
Managerial.	15	\$1,633.35	0	\$0
Technical.	55	\$4,243.25	0	\$0
Complete withdrawal notification.				
Managerial.	2	\$217.78	0	\$0
Technical.	3	\$231.45	0	\$0
<b>Totals</b>			<b>0</b>	<b>\$0</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes zero opt-in sources submit applications.

<sup>c</sup> Assumes no sources file a thermal energy compliance plan.

**B. Annual Reconciliation**

Annual reconciliation is performed by all opt-in sources. Each unit at an opt-in source is required to submit an opt-in utilization form. Additionally, if the source is covered by a thermal energy compliance plan, it must submit a thermal energy compliance report.

Due to the lack of units reporting as opt-in sources, the total respondent burden and costs for annual reconciliation by opt-in sources are an estimated zero hours and \$0 respectively. Exhibit 10 presents respondent burden and costs for annual reconciliation by opt-in sources.

**EXHIBIT 10**  
**RESPONDENT BURDEN/COST ESTIMATES FOR OPT-IN RECONCILIATION**

Tasks	Burden hours per occurrence	Cost per occurrence <sup>a</sup>	Total burden (hours)	Total cost
Opt-in utilization form. <sup>b</sup>				
Managerial.	2	\$217.78	0	\$0
Technical.	16	\$1,234.40	0	\$0
Thermal energy compliance report (shutdown opt-in sources and replacement units). <sup>c</sup>				
Managerial.	10	\$1,088.90	0	\$0
Technical.	21	1620.15	0	\$0
<b>Totals</b>			<b>0</b>	<b>\$0</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes zero opt-in sources.

<sup>c</sup> Assumes zero sources file reports.

**6.5.2 Agency Burden/Cost Estimates for the Opt-in Program**

In 2022 through 2024, the Agency assumes there will be no burden in relation to the opt-in program due to the lack of opt-in sources. . As shown in Exhibit 11, the Agency estimates a burden of zero hours and no additional costs for the opt-in program.

**EXHIBIT 11**  
**AGENCY BURDEN/COSTS FOR THE OPT-IN PROGRAM**

Tasks	Burden hours per occurrence	Cost per occurrence <sup>a</sup>	Total burden (hours)	Total cost
Review certificates of representation and record information. <sup>b</sup>	1	\$84.82	0	\$0
Review permit application, issue proposed and final permit, and assign allowances. <sup>b</sup>	80	\$6,785.60	0	\$0
Review and process annual reconciliation submissions. <sup>c</sup>	2	\$169.64	0	\$0
<b>Totals</b>			<b>0</b>	<b>\$0</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes zero opt-in sources submit a permit application.

<sup>c</sup> Assumes zero opt-in sources.

## 6.6 NO<sub>x</sub> Permitting

This subsection estimates the burden and cost of renewing and revising NO<sub>x</sub> compliance plans.

### 6.6.1 Estimate of Respondent Burden and Costs

Exhibit 12 presents the burden and costs to applicants for preparing and submitting NO<sub>x</sub> compliance plan renewal applications and revising NO<sub>x</sub> compliance plans. Permits, including NO<sub>x</sub> compliance plans for units affected for NO<sub>x</sub>, must be renewed every five years. Therefore, EPA assumes 20 percent of all units affected for NO<sub>x</sub> (i.e., 116 units) will submit NO<sub>x</sub> compliance plan renewal applications each year. Based on previous years of the program, EPA expects to receive 27 NO<sub>x</sub> compliance plan revisions each year.

For each compliance plan renewal, EPA estimates that the applicant will require about five hours, while compliance plan revisions will require about ten hours. The total respondent burden for NO<sub>x</sub> permitting, as shown in Exhibit 12, is estimated to be 850 hours each year. The costs associated with NO<sub>x</sub> permitting are estimated at \$77,225 per year.

**EXHIBIT 12  
RESPONDENT BURDEN/COST ESTIMATES FOR NO<sub>x</sub> PERMITTING**

Tasks	Burden hours per occurrence	Cost per occurrence <sup>a</sup>	Total burden (hours)	Total cost
Prepare NO <sub>x</sub> compliance plan renewal applications. <sup>b</sup>				
Managerial.	2	\$217.78	232	\$25,262
Technical.	3	\$231.45	348	\$26,848
Revise NO <sub>x</sub> compliance plan (e.g., emissions averaging plans). <sup>c</sup>				
Managerial.	5	\$544.45	135	\$14,700
Technical.	5	\$385.75	135	\$10,415
<b>Totals</b>			<b>850</b>	<b>\$77,225</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes 116 units (20 percent of all NO<sub>x</sub> affected units) submit NO<sub>x</sub> compliance plan renewals each year.

<sup>c</sup> Assumes 27 respondents revise emissions averaging plans each year.

### 6.6.2. Estimate of Agency/Permitting Authority Burden and Costs for NO<sub>x</sub>

Exhibit 13 presents the burden and costs to EPA for NO<sub>x</sub> permitting. The total annual burden and cost for renewing and revising NO<sub>x</sub> compliance plans is estimated at 85 hours and \$7,210, respectively. The tasks involved in reviewing applications will include reviewing forms for completeness and entering the revised data from the plans into a NO<sub>x</sub> compliance database.

**EXHIBIT 13**  
**AGENCY BURDEN/COST ESTIMATES FOR NO<sub>x</sub> PERMITTING**

<b>Tasks</b>	<b>Burden hours per occurrence</b>	<b>Cost per occurrence<sup>a</sup></b>	<b>Total burden (hours)</b>	<b>Total cost</b>
Renew NO <sub>x</sub> compliance plans. <sup>b</sup>	0.5	\$42.41	58	\$4,920
Revise NO <sub>x</sub> emissions averaging plans. <sup>c</sup>	1	\$84.82	27	\$2,290
<b>Totals</b>			<b>85</b>	<b>\$7,210</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Assumes 116 units (20 percent of all NO<sub>x</sub> affected units) submit NO<sub>x</sub> compliance plan renewals each year.

<sup>c</sup> Assumes 27 respondents revise emissions averaging plans each year.

**6.7 Summary of Burden Hours and Costs**

Exhibit 14 summarizes the annual aggregate burden and cost estimates to respondents for the 2022-2024 period for collections associated with allowance transfers, permits, emissions monitoring and reporting, auctions, the opt-in program, and NO<sub>x</sub> permitting. Exhibit 15 summarizes the aggregate burden and cost estimates to EPA and permitting authorities for these collections.

**EXHIBIT 14**  
**AGGREGATE ANNUAL RESPONDENT BURDEN AND COST**

<b>Program element</b>	<b>Total burden (hours)</b>	<b>Total costs<sup>a</sup></b>
Allowance transfers.	3,192	\$285,684
Permits.	14,076	\$1,371,116
Emissions reporting.	1,808,006	\$275,076,900
Auctions.	9	\$923
Opt-in.	0	\$0.00
NO <sub>x</sub> permitting.	850	\$77,226
<b>Totals</b>	<b>1,826,133</b>	<b>\$276,811,849</b>

<sup>a</sup> 2020 dollars.

**EXHIBIT 15**  
**AGGREGATE ANNUAL AGENCY BURDEN AND COST**

<b>Program element</b>	<b>Total burden (hours)</b>	<b>Total costs<sup>a</sup></b>
Allowance transfers.	8	\$679
Permits.		
Permitting Authority.	2,004	\$106,092
EPA.	681	\$57,762
Emissions reporting.	13,874	\$2,249,537
Auctions.	66	\$5,598
Opt-in.	0	\$0.00
NO <sub>x</sub> permitting.	85	\$7,210
O&M of data systems. <sup>b</sup>	N/A	\$2,500,000
<b>Totals</b>	<b>16,718</b>	<b>\$4,926,878</b>

<sup>a</sup> 2020 dollars.

<sup>b</sup> Average annual operation and maintenance costs associated with running electronic data systems are assumed to be incurred by an EPA contractor. Therefore, EPA will not incur any labor burden for these activities.

### **6.8 Reasons for Change in Burden**

This ICR renewal reflects a minor differences from the previous ICR. This section discusses the changes in burden since the last clearance.

Overall, the estimated annual burden in 2018 from the last clearance was 1,873,880 hours. This ICR estimates the annual burden in 2022 will be 1,826,133 hours, which is a decrease in burden of 47,747 hours, or about two percent. The change in burden for this collection is principally due to the following adjustments (listed in order of impact):

- Reductions in the number of ARP-affected units and ARP NO<sub>x</sub>-affected units (due to retirements) and shift toward a less costly mix of monitoring methodologies.
- Reduction in the number of allowance transfer and deduction submissions.
- Reduction in the number of expected opt-in units.
- Reduction in the number of allowance auction bids.

### **6.9 Burden Statement**

The annual public reporting and recordkeeping burden for this collection of information is estimated to be 1,826,133 hours per year for all respondents, or approximately 72 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology

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

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2009-0022, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in-person viewing at the Air and Radiation docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation docket is (202) 566-1742. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2009-0022 and OMB Control Number 2060-0258 in any correspondence.

## Appendix A

### Acid Rain Program Forms and Instructions

The Acid Rain Program forms and instructions shown below can be downloaded from the Clean Air Markets website, <https://www.epa.gov/airmarkets/business-center-forms>.

#### Allowance Transfer

[General Account Form](#)

[Allowance Transfer Form](#)

[Allowance Deduction Form](#)

#### Permits (including NO<sub>x</sub> Permitting)

[Certificate of Representation Form](#) (Certificate of Representation data can also be submitted online using the [CAMD Business System](#))

[Acid Rain Permit Application](#)

[Acid Rain NO<sub>x</sub> Compliance Plan](#)

[Acid Rain NO<sub>x</sub> Averaging Plan](#)

[Acid Rain New Unit Exemption](#)

[Acid Rain Retired Unit Exemption](#)

#### Emissions Monitoring

Monitoring, QA, and Emissions Data [Reporting Instructions](#) (Data Elements)

#### Auctions

[2021 How to Bid Factsheet](#)

For more information, see the [Acid Rain Program SO<sub>2</sub> Allowance Auction](#)

#### Opt-in

For information and forms for opting into the Acid Rain Program, contact the [Clean Air Markets Division](#).