**Supporting Statement for Renewable Fuel Standard (RFS) Program: Alternative RIN Retirement Schedule for Small Refineries**

**1. Identification of the Information Collection**

**1(a) Title of the Information Collection**

Renewable Fuel Standard (RFS) Program: Alternative RIN Retirement Schedule for Small Refineries, EPA ICR No. 2718.02, OMB Control Number 2060-NEW.

**1(b)** **Short characterization:**

This ICR covers a notification and associated recordkeeping provisions in the final rule for an alternative renewable identification number (RIN) retirement schedule for obligated parties that own/operate refineries that meet the definition of a small refinery under 40 CFR 80.1441(e)(2)(iii) (“small refineries”) under the RFS program for the 2020 compliance year.

The Environmental Protection Agency (EPA) is implementing an alternative RIN retirement schedule for small refineries under the RFS program for the 2020 compliance year. To provide small refineries with more time to comply with their 2020 RFS obligations (including any RIN deficits from 2019 carried forward into the 2020 compliance year), EPA is implementing a quarterly RIN retirement schedule by which a small refinery must comply with certain percentages of its 2020 RFS obligations. EPA is taking this action because small refineries need more time to plan for compliance with their RFS obligations given EPA’s delay in deciding small refinery exemption (SRE) petitions and setting the associated compliance deadlines. The information to be collected is necessary to implement the alternative RIN retirement schedule for small refineries. A small refinery would submit a notification to EPA indicating that the small refinery intends to use the alternative RIN retirement schedule and maintain records related to the determination and retirement of RINs under the alternative RIN retirement schedule.

This information collection request is related to the following approved information collection requests for the RFS program: 2060-0723 (expiring 11/30/2022), 2060-0725 (expiring 08/31/2022) and 2060-0728 (expiring 12/31/2023). EPA recently published a Federal Register notice on February 11, 2022 (87 FR 8013) to announce our intention to submit these existing collections together under the single control number of 2060-0725. It may be helpful for interested parties to look at these existing ICRs, and the referenced notice, since small refineries are existing respondents (obligated parties) under these collections and have certain existing recordkeeping and reporting items described in each of these ICRs. The existing information collection requests are available at the OMB Paperwork Reduction Act page (<https://www.reginfo.gov/public/do/PRAMain>) and are searchable by their OMB control numbers (e.g., 2060-0725).

**2. Need For, and Use of, the Collection**

**2(a) Authority for the Collection**

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

**2(b) Practical Utility/Uses of the Data**

The recordkeeping and reporting requirements of this regulation are necessary for EPA to allow small refineries to use the alternative RIN retirement schedule. The only information to be collected and retained is a notification letter and records associated with determining the number of RINs that a small refinery would need to retire under the alternative RIN retirement schedule for the 2020 compliance year.

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

**3(a) Non-duplication**

Efforts have been made to eliminate duplication in this information collection, and EPA is only requesting information necessary to implement a notification option. We are not seeking to collect information readily available to us in any other manner. Some of the information contained in records may be claimed as confidential business information (CBI) by the respondent and, as such, is not readily or publicly available.

**3(b) Public Notice**

EPA docketed supporting statement and the estimates with the proposed rule, “Renewable Fuel Standard (RFS) Program: Alternative RIN Retirement Schedule for Small Refineries,” 87 FR 35711 (June 13, 2022) and sought comment upon it. No comments were received on the proposed information collection or estimates.

**3(c) Consultations**

We have drawn upon our experience with RFS implementation and with similar fuels regulations to develop the estimates in this supporting statement. We have assumed that 13 small refineries may submit notifications, and these 13 would keep records. We encouraged interested parties and those who may be respondents to this ICR to provide comments on these estimates via the docket for the notice of proposed rulemaking; none were received

**3(d) Effects of Less Frequent Data Collection**

This information collection includes a one-time notification that we only expect to receive from 13 or fewer respondents and a one-time creation and maintenance of records related to the small refinery’s use of the alternative RIN retirement schedule. Less frequent collection of data would make it difficult to properly implement the alternative RIN retirement schedule.

**3(e) General Guidelines**

This information collection activity complies with 5 CFR 1320.6, except respondents are required to keep certain records for longer than three years. Under existing 40 CFR part 80 and all existing RFS-related ICRs, parties are required to retain records related to compliance for five (5) years. Five years is the applicable statute of limitations for other EPA fuels programs. *See* 28 U.S.C. 2462. The recordkeeping requirements should impose a small additional burden.

**3(f) Confidentiality**

We inform respondents that they may assert claims of CBI for information they submit. Any information claimed as confidential would be treated in accordance with 40 CFR part 2, 40 CFR 80.11 and 80.1402, and established EPA procedures. Information that is received without a claim of confidentiality may be made available to the public without further notice to the submitter under 40 CFR 2.203.

**3(g) Sensitive Information**

This information collection does not require submission of any sensitive or personal information (e.g., social security numbers, dates of birth, etc.).

**4. The Respondents and the Information Requested**

**4(a) Respondents with NAICS/SIC Codes**

The respondents to this information collection fall into the following general industry category: petroleum refineries (324110/2911).

**4(b)** **Information Requested**

The information requested consists of notification letters submitted to EPA by a responsible corporate officer (RCO) or their delegate; and records related to the notification and the methods and variables used to calculate RIN retirements under the alternative RIN retirement schedule, must be retained and produced upon request by EPA. There are no forms associated with this ICR, and the letter may be sent to EPA on company letterhead, using customary business practice (CBP).

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

**5(a) Agency Activities**

* EPA will receive and review submitted notifications.
* EPA will acknowledge receipt of the small refinery’s election.

**5(b) Collection Methodology and Management**

EPA expects to receive these notifications electronically.

**5(c) Small Entity Flexibility**

This collection would not adversely affect small entities and may benefit small entities who take advantage of flexibility.

**5(d) Collection Schedule**

We expect to receive one notification per respondent (i.e., one time). Records are retained as generated by respondents and shown to EPA upon request.

**6. Estimating the Burden and Cost of Collection**

**6(a) Estimating the Respondent Universe**

We estimate that 13 small refineries will be respondent and base this estimate upon the number of small refineries that have not yet acquired RINs to comply with their 2020 obligation. Small refineries are considered obligated parties under the RFS program, as shown in Appendix A.

**6(b) Estimating the Respondent Burden and Cost**

Detailed estimates, by respondent, and listed by collection activity/regulatory citations are found in Appendix A. Notification letters are expected to be one-time reporting and performed as needed.

**6(c) Estimating the Agency Burden and Costs**

The Agency costs for the RFS program are already estimated in the ICRs discussed above in Section 1. We do not anticipate any real increase in burden or cost associated with reviewing 13 notifications.

**6(d)** **Estimating the Respondent Universe**

We estimated the number of regulated entities for this ICR by drawing upon our experience regulating the same or similar entities under the RFS program. We estimated 13 small refineries would use the alternative RIN retirement schedule because this is the number of small refineries that are currently carrying a full RIN deficit from the 2019 compliance year into the 2020 compliance year (i.e., they have not retired any RINs towards their 2019 RFS obligations) and thus are more likely to need additional time to comply with their 2020 RFS obligations.

**6(e) Bottom Line Burden Hours and Costs**

From the tables, we estimate the following annual totals:

|  |  |
| --- | --- |
| TOTAL NUMBER OF RESPONDENTS |  39 |
| TOTAL NUMBER OF RESPONSES |  78 |
| TOTAL BURDEN HOURS |  19 |
| TOTAL COST TO RESPONDENTS | $ 0[[1]](#footnote-3) |

**6(f)** **Burden Statement**

The annual burden is estimated to average less than one hour per respondent.

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 the EPA’s regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the EPA’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 No. EPA-HQ-OAR-2022-0434 which is available for online viewing at www.regulations.gov, or in-person viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC). The docket is in the William Jefferson Clinton Building West, 1301 Constitution Avenue, NW, Room 3334, Washington, DC, and is open from 8:30 a.m. to 4:30 p.m., Eastern Standard Time, 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 and Information Center is (202) 566-1742.

An electronic version of the public docket is available at 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 No. 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 No. EPA-HQ-OAR-2022-0434 and OMB Control Number 2060-NEW in any correspondence.

Appendix A – Detailed Burden Estimates

1. There are labor costs of $1,710.00 estimated for this ICR; however, the non-labor costs that go into the OMB inventory are estimated at $0.00. There are no purchased services, or new O&M costs anticipated because of this rule. [↑](#footnote-ref-3)