

U.S. Environmental Protection Agency
Information Collection Request

Title: Waste Emissions Charge for Petroleum and Natural Gas Systems: Procedures for Facilitating Payment, Including Netting and Exemptions; Final rule
OMB Control Number: 2060-0752

EPA ICR Number: 2787.02

Abstract: In August 2022, Congress passed, and President Biden signed, the Inflation Reduction Act of 2022 (IRA) into law. Section 60113 of the IRA amended the Clean Air Act (CAA) by adding section 136, “Methane Emissions and Waste Reduction Incentive Program for Petroleum and Natural Gas Systems.” CAA section 136(c) directs the Administrator of the EPA to impose and collect a “Waste Emissions Charge” (hereafter referred to as “WEC” or “charge”) on methane emissions that exceed statutorily specified waste emissions thresholds from an owner or operator of an applicable facility. CAA section 136(g) directs the EPA to begin imposition and collection of charge with respect to emissions reported for calendar year 2024 and for each year thereafter.

The charge applies to facilities that report more than 25,000 metric tons (mt) carbon dioxide equivalent (CO₂e) of greenhouse gases (GHG) emitted per year pursuant to the Greenhouse Gas Reporting Rule’s (GHGRP) requirements for the petroleum and natural gas systems source category (codified as 40 CFR part 98, subpart W). An applicable facility, as defined in CAA section 136(d), is a facility within the following segments (as the following industry segments are defined in part 98, subpart W): onshore petroleum and natural gas production, offshore petroleum and natural gas production, onshore natural gas processing, onshore petroleum and natural gas gathering and boosting, onshore gas transmission compression, onshore natural gas transmission pipeline, underground natural gas storage, liquefied natural gas import and export equipment, and liquefied natural gas storage. Congress structured the charge so that it focuses on large oil and gas facilities.

To implement the charge requirements of CAA section 136, the EPA proposed the “Waste Emissions Charge for Petroleum and Natural Gas Systems; Proposed rule” on January 26, 2024 (89 FR 5318). The regulations for the waste emissions charge were proposed to be codified at 40 CFR part 99 (hereafter referred to as “part 99”). After consideration of public comments received, the EPA has published the “Waste Emissions Charge for Petroleum and Natural Gas Systems; Final rule” (hereafter referred to as the “final rule” or “WEC rule”). This supporting statement addresses information collection activities that will be imposed by the final rule. Under the final rule, calculation, reporting, and recordkeeping requirements will apply to the entity (designated in the final rule as the “WEC obligated party”) responsible for each applicable facility that reports emissions greater than 25,000 mt CO₂e of GHG to subpart W of the GHGRP (designated as a “WEC applicable facility”). CAA section 136(f)(4) allows for the netting of charge obligation for applicable facilities under common ownership or control. Therefore, the WEC obligated parties are the respondents for the information collection activities in this supporting statement. Respondents will be required to submit an annual filing (hereafter referred to as the “WEC filing” or “filing”) containing data necessary to determine the proper amount of charge due under the final rule. The contents of this filing include information identifying the WEC applicable facilities that the WEC obligated party is reporting for, the

quantity of emissions subject to charge, quantification of emissions eligible for exemption and supporting documentation for the unreasonable delay exemption provided by CAA section 136(f)(5), supporting documentation for the regulatory compliance exemption provided by CAA section 136(f)(6), and quantification of emissions eligible for exemption and supporting documentation for the plugged well exemption provided by CAA section 136(f)(7). In addition to the final requirements codified at 40 CFR part 99, the final rule amended 40 CFR part 98, subpart A to harmonize reporting obligations under part 98 and part 99. These amendments include an additional reported data element (a list of owners and operators of the facility) in the part 98 report submitted each year by facilities subject to reporting under subpart W of the GHGRP.

This final information collection will result in an annual average of 12,737 hours and \$1,739,860 over the three years covered by this information collection, which includes an annual average of \$1,709,365 in labor costs, \$0 in operation and maintenance costs, and \$30,495 in capital costs. The annual average incremental burden to the EPA for this period is anticipated at 31,200 hours and \$5,783,774 (\$2024) over the three years covered by this information collection, which includes an annual average of \$2,117,107 in labor costs and \$3,666,667 in non-labor costs.

Supporting Statement A

1. NEED AND AUTHORITY FOR THE COLLECTION

Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

The EPA is finalizing this information collection under its existing CAA authority provided in CAA section 114 and section 301, as well as newly established authority provided in section 136. As noted in section 2 of this supporting statement, the IRA added CAA section 136, “Methane Emissions and Waste Reduction Incentive Program for Petroleum and Natural Gas Systems,” which requires that the EPA impose and collect an annual specified charge on methane emissions that exceed an applicable waste emissions threshold from an owner or operator of an applicable facility that reports more than 25,000 mt of CO₂e of GHG emitted per year pursuant to subpart W of the GHGRP.

CAA section 114(a)(1) authorizes the Administrator to require emissions sources, persons subject to the CAA, or persons whom the Administrator believes may have necessary information to monitor and report emissions and provide such other information the Administrator requests for the purposes of carrying out any provision of the CAA (except for a provision of title II with respect to manufacturers of new motor vehicles or new motor vehicle engines). Thus, CAA section 114(a)(1) provides the EPA broad authority to require the information in this final rule because the information is relevant for carrying out CAA section 136. Additionally, CAA section 301(a)(1) provides that the EPA is authorized to prescribe such regulations “as are necessary to carry out [its] functions under [the CAA].”

This information collection under the final rule is necessary for the EPA to implement the charge requirements of CAA section 136. The filing required by the final rule contains

information identifying the WEC obligated party, the list of identification numbers assigned by the EPA’s electronic tool for submission of GHGRP reports for the WEC applicable facilities under the WEC obligated party, and for each WEC applicable facility, information related to the exemptions provided for under CAA section 136(f). Additionally, the filing includes calculations of the waste emissions threshold for each WEC applicable facility and emissions subject to charge at the level of the WEC obligated party (designated as “net WEC emissions”) and at the individual WEC applicable facility level (designated as “WEC applicable emissions”). Each of these final reporting requirements are necessary for EPA to determine the quantity of methane emissions subject to charge. To reduce the burden of data reporting under the final rule, the EPA plans to utilize the identification numbers reported in the final rule to link to data reported under the GHGRP. Additionally, the final rule amended 40 CFR part 98, subpart A to harmonize reporting obligations under part 98 and part 99.

The final rule also establishes confidentiality determinations for the reporting of certain data elements to be added in these final revisions. The final rule ensures the quality of the data collected for implementation of the charge under CAA section 136.

2. PRACTICAL UTILITY/USERS OF THE DATA

Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The final rule provides EPA with information necessary to implement the WEC under CAA section 136. CAA section 136(c) and (g) require that EPA impose and collect the WEC on an annual basis, based upon emissions reported annually to the GHGRP. Further, CAA section 136(f)(5), (f)(6), and (f)(7) mandate that EPA shall exclude from charge certain applicable facilities, or portions of methane emissions from applicable facilities, that meet specified requirements. EPA will use the information collected under this final rule to carry out a statutory obligation to impose and collect a charge on methane emissions, inclusive of specified exemptions.

3. USE OF TECHNOLOGY

Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Under the final rulemaking, respondents are required to submit WEC filings electronically in a format specified by the EPA. The EPA will establish a central repository of inventory data for all respondents. Data will be reported electronically by respondents and will be stored in the database. The data could be used by EPA for imposition and collection of the WEC. The new system follows Agency standards for design, security, data element and reporting format conformance, and accessibility. In designing the database, the EPA will attempt to minimize respondents’ burden by integrating the new reporting requirements with existing data collection and data management systems, when feasible.

In order to implement the GHGRP, the EPA established the Electronic Greenhouse Gas Reporting Tool (e-GGRT) as a central repository of data for all respondents. Respondents report data electronically, and the EPA stores the data in the database. Facilities and suppliers subject to the GHGRP register online through the e-GGRT system. For part 99, the EPA will integrate, to the extent possible, the reporting system under this final rulemaking with the existing web-based e-GGRT. The e-GGRT system has an XML reporting schema that allows facilities to upload GHG data directly in lieu of using the guided web forms provided through e-GGRT. The XML reporting schema contains all data elements needed to comply with the GHGRP. The electronic reports submitted under the GHGRP are subject to the provisions of 40 CFR part 3, specifying EPA systems to which electronic submissions must be made and the requirements for valid electronic signatures. Additionally, e-GGRT is designed to collect and store CBI.

The EPA ensures data quality by conducting robust verification checks using both electronic software and manual review. The EPA will contact facilities when WEC filings contain potential substantive errors, and the final requirements will require that the facilities either resolve the error or explain that it is not an error in a timely manner.

4. EFFORTS TO IDENTIFY DUPLICATION

Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

To determine whether this request duplicates other information collections, the EPA evaluated existing GHG data currently collected by subpart W of the GHGRP.

CAA section 136 requires that the imposition of charge be based upon reporting to subpart W of the GHGRP. In order to avoid the duplication of information collection already collected under the GHGRP, the final rule requires reporting of the identification numbers assigned by the EPA's electronic tool for submission of GHGRP reports for each WEC applicable facility. This existing tool, referred to as e-GGRT, is a web-based reporting system that acts as a central repository of data for all respondents to the GHGRP. This identification number allows for data reported under the final rule to be linked with data reported under the GHGRP.

The final rule includes calculation, reporting, and recordkeeping requirements that provide the new data necessary for the EPA to carry out a statutory obligation. Based on this evaluation, this information collection request does not duplicate other information collections.

5. MINIMIZING BURDEN ON SMALL BUSINESSES AND SMALL ENTITIES

If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

This information collection will not have a significant economic impact on a substantial number of small entities. The small entities subject to the final requirements of this action are small businesses in the petroleum and natural gas industry. Small entities include small businesses, small organizations, and small governmental jurisdictions. The EPA has determined that some small entities are affected because their processes emit methane that must be reported under subpart W and thus may be subject to final information collection under this ICR. As a part of this final rulemaking, the EPA conducted a small entity analysis to evaluate the costs

imposed on small entities. Details of this analysis are presented in the memorandum, *Regulatory Impact Analysis of the Final Waste Emissions Charge for Petroleum and Natural Gas Systems*, available in the docket for this rulemaking, Docket Id. No. EPA-HQ-OAR-2023-0434.

The EPA does not anticipate a significant economic impact on small entities from the information collection in this final rulemaking because the costs associated with reporting and recordkeeping requirements for any individual respondent are expected to be low. The estimated annual cost per respondent under part 99 (*i.e.*, WEC obligated party) is \$3,211. The estimated incremental annual cost per respondent under part 98 (*i.e.*, reporter to subpart W of the GHGRP) is \$7.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION

Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The final reporting frequency for WEC filings to EPA has been established to minimize the burden on respondents, while ensuring that the final rule collects facility-specific data of sufficient quality and frequency to achieve the Agency’s statutory obligations under CAA section 136. For entities required to report, the rule requires annual reporting, in coordination with reporting required under the GHGRP. If the information collection were not carried out on this schedule, the Agency would not be able to impose the charge on an annual basis as required by CAA section 136(c) and (g).

7. GENERAL GUIDELINES

Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

This collection of information is consistent with all OMB guidelines under 5 CFR 1320.6 except with respect to the maintenance of records by respondents for more than three years. EPA believes a five-year recordkeeping requirement is needed so that a history of compliance can be demonstrated and questions about past filings can be resolved, if needed. The EPA is allowing a variety of electronic and hard copy formats for records to provide flexibility for facilities to use a system that meets their needs and is consistent with other facility records maintenance practices, thereby minimizing the recordkeeping burden.

8. PUBLIC COMMENT AND CONSULTATIONS

8a. Public Comment

If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the Agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the Agency in response to these comments. Specifically address comments received on cost and hour burden.

A public notice of this collection is provided in the *Federal Register* notice of “Waste Emissions Charge for Petroleum and Natural Gas Systems; Final Rule”.

A public notice of the proposed collection was provided in the *Federal Register* notice of “Waste Emissions Charge for Petroleum and Natural Gas Systems; Proposed Rule” which was

published on January 26, 2024 (89 FR 5318). Comments received and the EPA's responses related to the cost and hour burden of the proposed rule are presented in the response to comment document associated with the final rule, available at Docket Id. No. EPA-HQ-OAR-2023-0434.

Two commenters expressed concern that the proposed WEC program appeared in conflict with two policy standards of the Paperwork Reduction Act: 1) minimize the paperwork burden on the public and other entities and 2) minimize the cost to the Federal Government of creating, collecting, maintaining, using, disseminating, and disposing of information. The commenters noted the costs presented in the proposed collection, suggested that actual costs would be higher due to unfamiliarity and glitches with new programs, and suggested that burden would be reduced if the EPA focused on offering more incentives rather than collecting data, fees, interest and penalties.

The EPA acknowledges the commenters' concerns, but notes that the commenters did not identify specific aspects of the proposed WEC rule where the EPA was overly burdensome, nor did the commenters identify ways to minimize burden to the Agency nor to affected WEC respondents. Consistent with the obligation established by CAA section 136 on the EPA to impose and collect a charge, subject to statutorily specified exemptions, the EPA has taken steps to minimize the added paperwork and recordkeeping burden and avoid duplicative reporting, while maintaining effectiveness of the rule through the utilization of existing systems such as e-GGRT. In the final rule, the EPA has made adjustments to the WEC filing deadlines. Furthermore, the EPA is allowing for netting at the parent company level. These revisions in the final rule are expected to reduce administrative burdens and to minimize uncertainty in the WEC submittal process by allowing time for verification of methane emissions and for the most flexibility for netting methane emissions.

8b. Consultations

Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The EPA previously published a Request for Information (RFI) seeking public comment in a non-regulatory docket to collect responses to a range of questions related to the Methane Emissions Reduction Program, including related to implementation of the WEC (see Docket Id. No. EPA-HQ-OAR-2022-0875). Comments received in response to this RFI were considered in the development of the final rule.

The respondents under this final rule constitute a subset of the respondents under the GHGRP. The EPA engages in consultations with GHGRP reporters on a regular basis. Since the GHGRP's inception, the EPA has conducted over 140 training webinars reaching over 17,000 people and has responded to approximately 40,000 questions received by our help desk. The EPA also communicates with GHGRP reporters directly after every data submission deadline during our annual verification period. The program maintains an open-door policy and has consulted on numerous occasions with trade associations as well as individual companies with

issues or concerns. To monitor the usefulness of this data collection, the GHGRP staff are in regular communication with other EPA programs that use the data, such as voluntary and mandatory GHG reduction programs within the Office of Air and Radiation. The EPA also consults regularly with state, local, and tribal environmental control agencies, environmental groups, research entities, and other nongovernmental organizations.

In the current action, the EPA is finalizing requirements that ensure the availability of data to EPA necessary to carry out a statutory obligation.

9. PAYMENTS OR GIFTS TO RESPONDENTS

Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No payments or gifts have been provided to respondents.

10. ASSURANCE OF CONFIDENTIALITY

Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or Agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

In general, emission data collected under CAA section 114 and 208 cannot be declared confidential business information (CBI). However, if any CBI is reported under this final rule, the EPA will protect CBI in accordance with regulations in 40 CFR Chapter 1, Part 2, Subpart B. Although CBI determinations are usually made on a case-by-case basis, EPA has issued guidance on what constitutes emissions data that cannot be considered CBI (956 FR 7042 –7043, February 21, 1991). EPA is finalizing additional provisions for part 99 data consistent with previous guidance.

11. JUSTIFICATION FOR SENSITIVE QUESTIONS

Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the Agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

The calculation, reporting, and recordkeeping requirements in this final rule at part 99 do not include sensitive questions.

12. RESPONDENT BURDEN HOURS & LABOR COSTS

Provide estimates of the hour burden of the collection of information. The statement should:

- *Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Generally, estimates should not include burden hours for customary and usual business practices.*
 - *If this request for approval covers more than one form, provide separate hour burden estimates for each form and the aggregate the hour burdens.*
 - *Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included*
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here. Instead, this cost should be included as O&M costs under non-labor costs covered under question 13.

The respondents in this information collection include owners and operators of facilities that report more than 25,000 mt CO₂e of GHG emissions to the EPA under subpart W of the GHGRP. Under the final rule, the entity to which the reporting and recordkeeping requirements of part 99 directly apply is designated as the “WEC obligated party”. This entity may be responsible for one or more facilities for which information collection is required (designated as a “WEC applicable facility”). For the purpose of estimating burden and cost from this information collection the EPA has assumed that each WEC obligated party is a respondent and that each WEC applicable facility will represent additional estimated reporting burden. The EPA developed estimates of the counts of WEC obligated parties and WEC applicable facilities as part of the *Regulatory Impact Analysis of the Final Waste Emission Charge* (RIA) accompanying the final rule. The RIA is available in the docket to this rulemaking, Docket Id. No. EPA-HQ-OAR-2023-0434. The respondents that would be subject to additional incremental burden under part 98 are existing reporters to subpart W of the GHGRP. The estimated counts are presented in Exhibit 12.1.

Exhibit 12.1. Estimated WEC Obligated Parties and WEC Applicable Facilities

Subpart W Reporters	3,105
WEC Obligated Party	535
WEC Applicable Facilities	
Industry Segment	Estimated Count
Offshore Petroleum and Natural Gas Production	23
Onshore Petroleum and Natural Gas Production	393
Onshore Natural Gas Processing	180
Onshore Natural Gas Transmission Compression	22
Underground Natural Gas Storage	1
LNG Storage	0
LNG Import and Export Equipment	7
Onshore Petroleum and Natural Gas Gathering and Boosting	310
Onshore Natural Gas Transmission Pipeline	20
TOTAL	956

12a. Respondents/NAICS Codes

Respondents under this final rule own or operate facilities in the following segments within the petroleum and natural gas systems industry: offshore petroleum and natural gas production, onshore petroleum and natural gas production, onshore natural gas processing, onshore gas transmission compression, underground natural gas storage, liquefied natural gas storage, liquefied natural gas import and export equipment, onshore petroleum and natural gas gathering and boosting, and onshore natural gas transmission pipeline. Exhibit 12.2 indicates the North American Industry Classification System (NAICS) codes potentially associated with these respondents. Exhibit 12.2 is not intended to be exhaustive, but rather provides an indication of the types of facilities likely to be affected by this information collection.

Exhibit 12.2. Examples of Affected Entities by Category

Category	NAICS Codes
Petroleum and Natural Gas Systems	486210 Pipeline transportation of natural gas.
	221210 Natural gas distribution facilities.
	211120 Crude petroleum extraction.
	211130 Natural gas extraction.

12b. Information Requested

Data Items

This section characterizes the information being collected under the final rule, as well as the activities associated with developing, submitting, or filing that information.

The information to be collected under the final rule at part 99 includes:

- Reporting requirements at the WEC obligated party level at 40 CFR 99.7(b)(1):
 - Annual certificate of representation (40 CFR 99.4(i)).
 - The company name (40 CFR 99.7(b)(1)(i)).
 - The United States address for the company (40 CFR 99.7(b)(1)(ii)).
 - The list of reporting ID(s) under which the WEC applicable facilities comprising the WEC obligated party as of December 31 of the year for which data are reported under subpart W of the GHGRP (40 CFR 99.7(b)(1)(iv)).
 - The net WEC applicable emissions as calculated in accordance with the rule (40 CFR 99.7(b)(1)(v)).
- Reporting requirements for each WEC applicable facility comprising the WEC obligated party at 40 CFR 99.7(b)(2):
 - The reporting ID under which the WEC applicable facility emissions are reported under subpart W of the GHGRP (40 CFR 99.7(b)(2)(i)).
 - The industry segment for the WEC applicable facility (40 CFR 99.7(b)(2)(ii)).
 - If the WEC applicable facility is in the offshore petroleum and natural gas production or onshore petroleum and natural gas production industry, an indication of whether the facility has emissions related to an unreasonable delay in permitting of gathering or transmission infrastructure (40 CFR 99.7(b)(2)(iii)).

- If the WEC applicable facility meets conditions specified in the rule for the availability of the regulatory compliance exemption are met, a regulatory compliance exemption filing is required (40 CFR 99.7(b)(2)(iv)).
- If the WEC applicable facility meets conditions specified in the rule for the availability of the plugged well exemption, a plugged well exemption filing is required (40 CFR 99.7(b)(2)(v)).
- The waste emissions threshold and WEC applicable emissions, as calculated in accordance with the rule (40 CFR 99.7(b)(2)(vi)).
- Reporting requirements for the unreasonable delay exemption (40 CFR 99.31(b)):
 - The company name and name of the facility that submitted the permit application to construct and/or operate gathering or transmission infrastructure (40 CFR 99.31(b)(1)).
 - For a WEC applicable facility in the onshore production industry segment, the well-pad ID of each well-pad impacted by the unreasonable delay in environmental permitting of gathering or transmission infrastructure (40 CFR 99.31(b)(2)).
 - The date of the initial permit request to build gathering or transmission infrastructure was submitted to the permitting authority and the date the permitting authority determined the application to be technically complete (40 CFR 99.31(b)(3)).
 - An attestation that the entity seeking the permit has been responsive to the relevant authority regarding the permit application and is not a plaintiff in litigation related to the environmental permit application (40 CFR 99.31(b)(4)).
 - A listing of methane emissions mitigation activities that are impacted by the unreasonable permitting delay (40 CFR 99.31(b)(5)).
 - The estimated date to commence operation of the gathering or transmission infrastructure if application had been approved within 36 months (40 CFR 99.31(b)(6)).
 - If the application has been approved and operations commenced during the reporting year, the first date that offtake to the gathering or transmission infrastructure from the implementation of methane emissions mitigation occurred (40 CFR 99.31(b)(7)).
 - The beginning and ending date for which the eligible delay limited the offtake of increased volume associated with methane emissions mitigation activities during the reporting year (40 CFR 99.31(b)(8)).
 - The increased volume of gas resulting from methane emissions mitigation implementation as determined according to the rule (40 CFR 99.31(b)(9)).
 - The quantity of methane emissions to be exempted due to the unreasonable delay for the reporting year calculated as specified in the rule, and associated data elements used in the calculation of methane emissions (40 CFR 99.31(b)(10)).
 - A list of all applicable local, state, and federal regulations regarding the activities that occurred as a result of a delay in environmental permitting of gathering or transmission, and an attestation of the facility's compliance status for each (40 CFR 99.31(b)(11)).

- For each environmental permit relevant to the exemption, the name/type of permit, permitting agency, contact information at the permitting agency, and a link to information on the permit (e.g., available through the permitting agency), if available (40 CFR 99.31(b)(12)).
- Reporting requirements for the regulatory compliance exemption (40 CFR 99.41(b)):
 - ICIS-AIR ID (or if not available, Facility Registry Service ID) and EPA Registry ID from CEDRI associated with each affected facility and designated facility located at the WEC applicable facility (40 CFR 99.41(b)(2)).
 - An indication of the compliance status with methane emissions requirements for all affected facilities subject to the requirements of subpart OOOOb of 40 CFR part 60 and all designated facilities subject to the requirements of an applicable approved state plan or applicable Federal plan in 40 CFR part 62, located at the WEC applicable facility (40 CFR 99.41(b)(5)).
 - Annual compliance report(s) for each affected facility or designated facility at the WEC applicable facility (40 CFR 99.41(b)(3-5), (c), and (d)).
 - For reports that indicate a deviation or violation, the number of calendar quarters during which there was no reported deviation or violation in the report (40 CFR 99.41(d)(2)) and at the WEC applicable facility ((40 CFR 99.41(d)(3)).
 - For WEC applicable facilities that reported an other large release event to subpart W, the duration of the release event that occurred during calendar quarters in which there were reported deviations or violations ((40 CFR 99.41(e)).
- Reporting requirements for the plugged well exemption (40 CFR 99.50(a)):
 - Well identification (ID) number (40 CFR 99.50(a)(1)).
 - Date the well was permanently shut-in and plugged (40 CFR 99.50(a)(2)).
 - The statutory citation for each applicable state, local, and federal regulation stipulating requirements that were applicable to the closure of the permanently shut-in and plugged well (40 CFR 99.50(a)(3)).
 - An assertion that the requirements in each of the applicable state, local, and Federal regulations were followed in plugging the well (40 CFR 99.50(a)(4)).
 - The method used to calculate equipment leak emissions attributable (40 CFR 99.50(a)(5)).
 - If the WEC applicable facility is in the onshore petroleum and natural gas production or offshore petroleum and natural gas production industry segment, an indication of whether a facility-specific value for barrel of oil equivalent was used to calculate emissions and if so, the value used (40 CFR 99.50(a)(6)).
 - The emissions attributable to the well as calculated in accordance with the final rule (40 CFR 99.50(a)(7)).
 - The total quantity of methane emissions attributable to all wells that were permanently shut-in and plugged at a WEC applicable facility meeting the applicability provisions (40 CFR 99.50(b)).

The additional information be collected under the final rule at part 98 consists of a list of owners and operators of a facility as of December 31 of each reporting year.

Reporting and Recordkeeping Requirements

Respondents must report the data items specified according to the requirements of 40 CFR 99.7(b) and the recordkeeping requirements of 40 CFR 99.7(d).

Respondents will be required to maintain records associated with the data items specified according to the requirements of 40 CFR 99.7(d).

12c. Respondent Activities

The final rule requires gathering of new information, calculating new emissions, reporting new data elements as part of an annual filing, and recordkeeping of the records associated with annual filing. All activities with associated costs are shown in the Appendix to this supporting statement. For each related data element required in the final rule, all respondents will:

1. Submit the value via an electronic system specified by the EPA Administrator as part of the annual filing required under part 99.
2. Maintain records of reported data for a minimum of five years.

All respondents will be required to perform any required calculations using methodologies specified in the final rule.

Collection Schedule

Under the final rulemaking, WEC filings under part 99 are required to be submitted by August 31st of each year. All data elements under this information collection will be submitted no more frequently than an annual basis as part of the respondent's annual WEC filing. CAA section 136(c) and (g) require that EPA impose and collect the WEC on an annual basis, based upon emissions reported annually to the GHGRP. Therefore, it is not possible to collect information less frequently than annually under the final rulemaking. The additional data element required as part of part 98 is required to be submitted by March 31st of each year. The final rule does not amend the reporting frequency or collection schedule of part 98.

12d. Respondent Burden Hours and Labor Costs

This section presents the EPA's estimates of the burden and costs to respondents associated with the activities described in section 12(c). The EPA estimates that, over the three years covered by this request, the average total respondent burden associated with this reporting will be 12,737 hours per year and the cost of all respondents of the information collection will be an average of \$1,739,860 per year, which includes \$30,495 in non-labor costs per year.

Final information collection requirements include the elements identified in 12(c) of this supporting statement.

The Appendix details by WEC obligated party and WEC applicable facility, the respondent activities required by the revised provisions and how much each activity is expected to cost, by labor, O&M, and capital.

Labor costs are tabulated for respondents to review regulation requirements (*i.e.*, reading regulatory text, system instructions, and EPA guidance documents), calculate emissions, and prepare and submit reports.

Capital costs are tabulated for respondents to purchase file cabinets, hard drives, and cloud file storage necessary for the final recordkeeping requirements.

Estimating Respondent Burden

Respondent burden estimates are presented in Exhibit 12.3. The EPA estimates that the total annual burden to all affected entities will increase by 12,737 hours per year, on average, over the three years covered by this information collection.

Exhibit 12.3 of this document presents the aggregate and average annual respondent burden. For the details, see the Appendix.

Exhibit 12.3. Summary of Annual Respondent Burden and Cost of Final WEC Rule

Years 1-3	Number of Respondents	Total Labor Hours	Labor Costs	Non-Labor Costs (Annualized Capital/Startup and O&M)	Total Costs
	3,105	12,737	\$1,709,365	\$30,495	\$1,739,860

Estimating Respondent Costs

Costs to respondents associated with this information collection include labor costs (*i.e.*, the cost of labor by facility staff to meet the rule’s information collection requirements) and non-labor costs (*e.g.*, the cost of obtaining file cabinets, hard drives, and cloud file storage to meet recordkeeping requirements).

To calculate labor costs, the EPA used an approach consistent with the ICR associated with the GHGRP currently approved by OMB, updated to incorporate May 2023 BLS labor rates. Sector-specific labor rates are used for the oil and gas industry based upon data reported for NAICS category 211 (Oil and Gas Extraction): \$173.68 for company lawyers, \$155.02 for senior managers, \$132.91 for middle managers, \$120.37 for engineers, and \$85.57 for technicians. These labor rates were applied to the total burden estimates for each labor category to obtain the total costs for this final rulemaking. Labor and non-labor costs (capital and O&M) are summarized in Exhibit 12.3. More details are in the Appendix.

The EPA estimates that the total annual labor costs to all affected non-federal entities averages \$1.7 million over the three years covered by this information collection. Exhibit 12.3 presents the aggregate burden by year for all respondents under the final rule.

Estimating the Respondent Universe and Total Burden and Costs

The estimated number of respondents that will perform the required activities under this information collection is presented in the Appendix. The number of respondents is not expected to vary in each year.

Bottom Line Burden Hours and Costs

The bottom-line burden hours and costs are shown in Exhibit 12.4.

Exhibit 12.4 Total Burden and Costs Per Year

Respondent Costs	Annual Average
Number of Respondents	3,105
Total Respondent Labor Hours	12,737
Total Respondent Labor Costs	\$1,709,365
Non-labor (Capital and O&M) Costs	\$30,495
Total Respondent Costs	\$1,739,860
Agency Costs	
Total Agency Burden Hours	31,200
Total Agency Labor Costs	\$2,117,107
Non-labor Costs	\$3,666,667
Total Agency Costs	\$5,783,774
Total Burden Hours (Respondents + Agency)	43,937
Bottom Line Costs (Respondents + Agency)	\$7,523,634

RESPONDENT CAPITAL AND O&M COSTS

Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should consider costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling, and testing equipment; and record storage facilities.

If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate.

Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not

associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

The total costs include \$30,495 in annual capital costs and \$0 in annual operation and maintenance and purchase of services costs. For specific details, see the Appendix.

13. AGENCY COSTS

Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

14a. Agency Activities

EPA activities include the verification of WEC filings, including claims for exemptions, database and software maintenance, communication and outreach, and program evaluation. This ICR reflects agency burden for program operation activities, which includes program start-up activities to prepare for receiving the data to be collected under this rule. One-time costs associated with this process include database and software design, development, and creation of guidance materials.

14b. Agency Labor Cost

Estimating Agency Burden and Cost

This section describes the burden and cost to the federal government associated with this information collection, and the details are provided in the Appendix. Federal activities under this information collection include EPA oversight of the reporting program and will include required reporting by federally owned facilities subject to this rulemaking. However, the EPA is not aware of any federally owned facilities subject to reporting under part 98, subpart W, and therefore does not believe there is burden associated with this final rulemaking related to mandatory reporting for federally owned facilities.

EPA activities associated with the WEC Rule include oversight and implementation of the reporting program, *e.g.*, verification of WEC filings, database and software maintenance, communication and outreach, and program evaluation. For the final rule, the burden to the EPA is associated with the time to review the data elements that will be reported (see section 4(b)(i)). EPA estimates that up to 15 full time equivalents (FTEs), or 31,200 hours, will be devoted to these activities.

To develop EPA labor costs, the EPA estimated the average hourly labor rate for salary and overhead and benefits for Agency staff to be \$67.86. To derive this figure, the EPA multiplied the hourly compensation at GS-13, Step 1 on the 2024 GS pay scale (\$42.41) by the standard government benefits multiplication factor of 1.6 to account for overhead and benefits.¹

¹ <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2024/general-schedule>

The total burden and labor costs to the federal government from the final rule are anticipated to average 31,200 hours and \$2,117,107 (\$2024) per year over the three years covered by this information collection, which represents 15 additional full-time employee.

14c. Agency Non-Labor Costs

In addition to the labor cost, EPA will incur a one-time cost of \$4 million in Year 1 of the information collection for database and software design, developing guidance, training, responding to stakeholders, and communication and outreach. In the second and third years, EPA will spend \$3.5 million annually on program oversight; e.g., for contractor support and data base maintenance. Thus, the Agency will incur an average of \$3.7 million annually in non-labor costs. Exhibit 14.1 presents the annual Agency burden and cost.

Exhibit 14.1 Annual Agency Burden and Cost Per Year

Total Annual Burden Hours	Labor Costs (\$2024)	Non-Labor Costs (\$2024)
31,200	\$2,117,107	\$3,666,667

15) REASONS FOR CHANGE IN BURDEN

Explain the reasons for any program changes or adjustments reported in the burden or capital/O&M cost estimates.

This is a new collection.

16) PUBLICATION OF DATA

For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

To support the needs of data users, the EPA intends to publish non-confidential data collected through the WEC on a publicly accessible website.

17) DISPLAY OF EXPIRATION DATE

If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

EPA will display the expiration date for OMB approval of this information collection.

18) CERTIFICATION STATEMENT

Explain each exception to the topics of the certification statement identified in “Certification for Paperwork Reduction Act Submissions.”

This information collection complies with all provisions of the Certification for Paperwork Reduction Act Submissions.

**SUPPORTING STATEMENT:
ENVIRONMENTAL PROTECTION AGENCY
OMB control number 2060-0752; ICR number 2787.02
Appendix**

Table 1. Part 99 Reporting Costs by WEC Applicable Facility Industry Segment and WEC Obligated Party, Year 1

Year 1	(A) Hours per Occurrence	(B) Occurrences/ Respondent/ Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
1. APPLICATIONS (Not Applicable)					
2. SURVEY AND STUDIES (Not Applicable)					
3. ACQUISITION, INSTALLATION, AND UTILIZATION OF TECHNOLOGY AND SYSTEMS					
4. REPORT REQUIREMENTS					
A. Read Rule, Instructions, Guidance Documents ^{a,b,c}					
WEC Obligated Party	5	1	5	535	\$842,867
B. Required Activities (Included in 4E)					
Calculations required under Subpart B ^{b,c,d}					
Offshore Petroleum and Natural Gas Production applicable facilities	1	1	1	23	\$3,252
Onshore Petroleum and Natural Gas Production applicable facilities	1	1	1	393	\$55,574
Onshore Natural Gas Processing applicable facilities	1	1	1	180	\$25,454
Onshore Natural Gas Transmission Compression applicable facilities	1	1	1	22	\$3,111
Underground Natural Gas Storage applicable facilities	1	1	1	1	\$141
LNG Storage applicable facilities	1	1	1	0	\$0
LNG Import and Export Equipment applicable facilities	1	1	-	7	\$990
Onshore Petroleum and Natural Gas Gathering and Boosting applicable facilities	1	1	1	310	\$43,837
Onshore Natural Gas Transmission	1	1	1	20	\$2,828

Year 1	(A) Hours per Occurrence	(B) Occurrences/ Respondent/Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
Pipeline applicable facilities					
WEC Obligated Party	1	1	1	535	\$168,573
C. Create Information (Included in 4B)					
D. Gather Existing Information (Included in 4E)					
E. Write Report ^{b,c,e}					
WEC Applicable Facility: Annual WEC filing through electronic submittal	0.5	1	0.5	956	\$67,594
WEC Applicable Facility: Regulatory compliance exemption filing ^f	4	1	4	0	\$0
WEC Applicable Facility: Unreasonable delay exemption filing ^g	10	1	10	28	\$39,595
WEC Applicable Facility: Plugged well exemption filing ^h	6	1	6	110	\$93,331
WEC Obligated Party: Annual WEC filing through electronic submittal	4	1	4	535	\$302,618
Incremental Reporting to Subpart A for Subpart W Reporters ⁱ	0.05	1	0.05	3,105	\$21,954

Table 2. Part 99 Recordkeeping Costs by WEC Applicable Facility Industry Segment and WEC Obligated Party, Year 2.

Year 1	(A) Hours per Occurrence	(B) Occurrences/ Respondent/Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
5. RECORDKEEPING REQUIREMENTS					\$0
A. Read Instructions (Included in 4A)					\$0
B. Plan Activities (Included in 4B)					\$0
C. Implement Activities (Included in 4B)					\$0
D. Recordkeeping ^j	2	1	2	535	\$151,309
E. Time to Transmit or Disclose Information (included in 4E)					\$0
F. Time to Train Personnel (included in 4A)					\$0
G. Time for Audits ^k	8	1	8	48	\$223,482

Table 3. Total Part 99 Burden Hours and Costs, Year 1

Year 1	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
TOTAL ANNUAL LABOR BURDEN AND COST		535	\$2,046,512
ANNUALIZED CAPITAL COSTS			
Annualized Capital Costs for Recordkeeping ¹		535	\$30,495
Other Capital Costs of Installation (ODC and Labor)			
Total annual capital			\$30,495
TOTAL ANNUAL COSTS (O&M)			\$-
TOTAL ANNUALIZED COSTS (Annualized capital + O&M costs)			\$30,495
TOTAL COSTS (Labor, annualized capital, and O&M)			\$2,077,007

Table 4. Part 99 Reporting Costs by WEC Applicable Facility Industry Segment and WEC Obligated Party, Years 2-3

Year 2 and Year 3	(A) Hours per Occurrence	(B) Occurrences/ Respondent/Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
1. APPLICATIONS (Not Applicable)					
2. SURVEY AND STUDIES (Not Applicable)					
3. ACQUISITION, INSTALLATION, AND UTILIZATION OF TECHNOLOGY AND SYSTEMS					
4. REPORT REQUIREMENTS					
A. Read Rule, Instructions, Guidance Documents a,b,c					
WEC Obligated Party	2	1	2	535	\$337,147
B. Required Activities (Included in 4E)					
Calculations required under Subpart B ^{b,c,d}					
Offshore Petroleum and Natural Gas Production applicable facilities	1	1	1	23	\$3,252
Onshore Petroleum and Natural Gas Production applicable facilities	1	1	1	393	\$55,574
Onshore Natural Gas Processing applicable facilities	1	1	1	180	\$25,454
Onshore Natural Gas Transmission Compression applicable facilities	1	1	1	22	\$3,111
Underground Natural Gas Storage applicable facilities	1	1	1	1	\$141
LNG Storage applicable facilities	1	1	1	0	\$0

Year 2 and Year 3	(A) Hours per Occurrence	(B) Occurrences/ Respondent/Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
LNG Import and Export Equipment applicable facilities	1	1	-	7	\$990
Onshore Petroleum and Natural Gas Gathering and Boosting applicable facilities	1	1	1	310	\$43,837
Onshore Natural Gas Transmission Pipeline applicable facilities	1	1	1	20	\$2,828
WEC Obligated Party	1	1	1	535	\$168,573
C. Create Information (Included in 4B)					
D. Gather Existing Information (Included in 4E)					
E. Write Report ^{b,c,e}					
WEC Applicable Facility: Annual WEC filing through electronic submittal	0.5	1	0.5	956	\$67,594
WEC Applicable Facility: Regulatory compliance exemption filing ^f	4	1	4	0	\$0
WEC Applicable Facility: Unreasonable delay exemption filing ^g	10	1	10	28	\$39,595
WEC Applicable Facility: Plugged well exemption filing ^h	6	1	6	110	\$93,331
WEC Obligated Party: Annual WEC filing through electronic submittal	4	1	4	535	\$302,618
Incremental Reporting to Subpart A for Subpart W Reporters ⁱ	0.05	1	0.05	3,105	\$21,954

Table 5. Part 99 Recordkeeping Costs by WEC Applicable Facility Industry Segment and WEC Obligated Party, Year 2.

Year 2 and Year 3	(A) Hours per Occurrence	(B) Occurrences/ Respondent/Year	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents/ Year	(H) Cost/ Year
5. RECORDKEEPING REQUIREMENTS					\$0
A. Read Instructions (Included in 4A)					\$0
B. Plan Activities (Included in 4B)					\$0
C. Implement Activities (Included in 4B)					\$0
D. Recordkeeping ^j	2	1	2	535	\$151,309
E. Time to Transmit or Disclose Information (included in 4E)					\$0
F. Time to Train Personnel (included in 4A)					\$0
G. Time for Audits ^k	8	1	8	48	\$223,482

Table 6. Total Part 99 Burden Hours and Costs, Year 1

Year 2 and Year 3	(C) Hours/ Respondent/ Year (A x B)	(D) Respondents / Year	(H) Cost/ Year
TOTAL ANNUAL LABOR BURDEN AND COST			\$1,540,792
ANNUALIZED CAPITAL COSTS			
Annualized Capital Costs for Recordkeeping ¹			\$30,495
Other Capital Costs of Installation (ODC and Labor)			
Total annual capital			\$30,495
TOTAL ANNUAL COSTS (O&M)			0
TOTAL ANNUALIZED COSTS (Annualized capital + O&M costs)			\$30,495
TOTAL COSTS (Labor, annualized capital, and O&M)			\$1,571,287

Table 7. Part 99 Assumptions Used in Tables 1 through 6 of the Appendix

- a Assuming 5 hours to read and understand part 99 and requirements for each WEC obligated party in initial year of compliance; assuming 2 hour in subsequent years.
- b Assuming that every hour of engineer work involves 0.10 hours from a Middle Manager for review; exceptions are specifically noted.
- c Assuming that every hour of engineer work involves 0.05 hours from a Senior Manager for review; exceptions are specifically noted.
- d Assuming 1 hour to complete Subpart B calculations for each WEC applicable facility and WEC obligated party.
- e Assuming 2 hours per WEC applicable facility and WEC obligated party to complete annual WEC reporting; not including time to complete exemption filings (calculated separately).
- f Assuming 4 hours per WEC applicable facility to complete regulatory compliance exemption filing (not anticipated to be required within 3-year period of this ICR).
- g Assuming 10 hours per WEC applicable facility to complete unreasonable delay exemption filing.
- h Assuming 6 hours per WEC applicable facility to complete regulatory compliance exemption filing.
- i Assuming 3 minutes per additional reported data element
- j Assuming 2 hours per WEC obligated party for recordkeeping activities.
- k Assuming that audits will occur at 5% of WEC applicable facilities each year, requiring 8 hours each from engineer, middle manager, senior manager, and company lawyer.
- l Assuming that annualized capital costs for recordkeeping include the cost of a 4-drawer vertical file cabinet for storing records, an external hard drive for storing electronic data, and cloud storage; at \$57 per reporter per year.