U.S. Environmental Protection Agency

Information Collection Request

# **TITLE:** NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal)

# **OMB CONTROL NUMBER:** 2060-0330

# **EPA ICR NUMBER:** 1712.12

# **ABSTRACT:**

The National Emission Standards for Hazardous Air Pollutants (NESHAP) for the regulations published at 40 CFR Part 63, Subpart II were proposed on December 6, 1994, promulgated on December 15, 1995, and most-recently amended on November 21, 2011 and November 19, 2020. The shipbuilding and ship repair industry consists of establishments that build, repair, repaint, convert and alter ships which are either marine or fresh-water vessels used for military and/or commercial operations. These regulations apply to only the shipbuilding and repair surface coating operations that occur at facilities that are major sources of hazardous air pollutants (HAPs). New facilities include those that commenced either construction or reconstruction after the date of proposal. This information is being collected to assure compliance with 40 CFR Part 63, Subpart II.

In general, all NESHAP standards require initial notifications, performance tests, and periodic reports by the owners/operators of the affected facilities. They are also required to maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility or any period during which the monitoring system is inoperative. These notifications, reports, and records are essential in determining compliance, and are required of all affected facilities subject to NESHAP.

Any owner/operator subject to the provisions of this part shall maintain a file of these measurements, and retain the file for at least five years following the date of such measurements, maintenance reports, and records. All reports required to be submitted electronically are submitted through the EPA's Central Data Exchange (CDX), using the Compliance and Emissions Data Reporting Interface (CEDRI), where the delegated state or local authority can review them. In the event that there is no such delegated authority, the EPA regional office can review them. All other reports are sent to the delegated state or local authority. In the event that there is no such delegated authority, the reports are sent directly to the EPA regional offices. The use of the term "Designated Administrator" throughout this document refers to the U.S. EPA or a delegated authority such as a state agency. The term "Administrator" alone refers to the U.S. EPA Administrator.

The “Affected Public” are shipbuilding and ship repair surface coating facilities. The burden to the “Affected Public” may be found in Tables 1a through 1c: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal). The burden to the “Federal Government” is attributed entirely to work performed by federal employees or government contractors and may be found in Table 2: Average Annual EPA Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal). There are approximately 56 shipbuilding and ship repair surface coating facilities. Based on a review of ownership of sources reported to be subject to 40 CFR Part 63, Subpart II, 90 percent of sources are in the private sector, with the remainder being owned by the Federal Government. We assume that they will all respond.

Based on our consultations with industry representatives, there is an average of one affected facility at each plant site and each plant site has only one respondent (i.e., the owner/operator of the plant site).

Over the next three years, approximately 56 respondents per year will be subject to the standard, and no additional respondents per year will become subject to the standard.

The active (previous) ICR had the following Terms of Clearance (TOC):

“In accordance with 5 CFR 1320, the information collection is approved for three years. As terms of clearance, upon renewal of this collection, EPA is required to include the following in its supporting statement for this and other NESHAP ICRs: (1) a description of the regulatory text applicable to the ICR including submission specifications; (2) a clear description of the data elements being collected under the ICR; (3) screen shots of the electronic portal where the reporting requirements are submitted to EPA (with the control number and burden statement); (4) a detailed discussion of how information is submitted and the extent to which electronic reporting is available; (5) evidence of consultation with respondents (by actively reaching out to stakeholders as permitted by the PRA) to ensure the supporting statement's accuracy on availability of data, frequency of collection, clarity of instructions, accuracy of burden estimate, relevance of data elements, and similar PRA matters; and (6) discussion of how EPA addressed substantive concerns raised by respondents and other stakeholders during consultation and in response to comments received on FR notices. In addition, please convert the supporting statement to the standard 18 question SS-A format upon renewal.”

The relevant regulatory text is referenced in section 4(b) of this document. We have created a supplementary document including the regulatory text that describes the ICR requirements, which includes a description of the data elements being collected under the ICR, as identified in section 4(b)(i) of this document. All electronic collection in this information collection is submitted through EPA's CEDRI, as discussed in section 4(b)(i) of this document. Additional Paperwork Reduction Act requirements for CEDRI, including the burden statement and OMB control number, are available at*:*[*https://www.epa.gov/electronic-reporting-air-emissions/paperwork-reduction-act-pra-cedri-and-ert*](https://nam04.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.epa.gov%2Felectronic-reporting-air-emissions%2Fpaperwork-reduction-act-pra-cedri-and-ert&data=05%7C01%7CLeslie.Smith%40erg.com%7C8698534f35694180db9e08dad479ac1b%7Ca17e3fab8d2346f287f33fceb7c6a000%7C1%7C0%7C638055916286015292%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=2dMaUcuw8wKlPOWmLWhASWxKGnQnAwjf2GnE0gLIKa8%3D&reserved=0)*.* We have created supplementary documents that include screenshots of the electronic portal where the reporting requirements are submitted online to EPA, including the OMB burden statement on the electronic portal. A description of the EPA’s consultation with respondents and how EPA responded to any concerns raised by respondents or other stakeholders is discussed in sections 3(b) and 3(c) of this document.

**Supporting Statement A**

# **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 charged under Section 112 of the Clean Air Act, as amended, to establish standards of performance for each category or subcategory of major sources and area sources of hazardous air pollutants. These standards are applicable to new or existing sources of hazardous air pollutants and shall require the maximum degree of emission reduction. In addition, section 114(a) states that the Administrator may require any owner/operator subject to any requirement of this Act to:

(A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3); and (G) provide such other information as the Administrator may reasonably require.

In the Administrator's judgment, HAP emissions from surface coating operations at shipbuilding and repair facilities cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, the NESHAP were promulgated for this source category at 40 CFR Part 63,Subpart II.

# **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 recordkeeping and reporting requirements in the standard ensure compliance with the applicable regulations which were promulgated in accordance with the Clean Air Act. The collected information is also used for targeting inspections and as evidence in legal proceedings.

Performance tests are required in order to determine an affected facility’s initial capability to comply with the emission standard. Continuous emission monitors are used to ensure compliance with the standard at all times. During the performance test a record of the operating parameters under which compliance was achieved may be recorded and used to determine compliance in place of a continuous emission monitor.

The notifications required in the standard are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to check if the pollution control devices are properly installed and operated, leaks are being detected and repaired, and the standard is being met. The performance test may also be observed.

The required semiannual reports are used to determine periods of excess emissions, identify problems at the facility, verify operation/maintenance procedures and for compliance determinations.

Additionally, the EPA is requiring electronic reporting for certain notifications or reports. The EPA is requiring that owners or operators of affected sources would submit electronic copies of initial notifications required in 40 CFR 63.9(b) and changes in information required in 40 CFR 63.9(j) through the EPA's Central Data Exchange (CDX), using the Compliance and Emissions Data Reporting Interface (CEDRI). For the notifications required in 40 CFR 63.9(b) and 63.9(j), owners and operators would be required to upload a PDF of the required notifications. We have created supplementary documents that include screenshots of the electronic portal where the reporting requirements are submitted online to EPA, including the OMB burden statement on the electronic portal.

# **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.*

Some of the respondents are using monitoring equipment that automatically records parameter data. Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping at a plant site.

The rule was amended to include electronic reporting provisions on November 19, 2020. Respondents are required to submit electronic copies of notifications and certain reports through EPA’s CEDRI. The notification is an upload of their currently required notification in portable document format (PDF) file. For purposes of this ICR, it is assumed that there is no additional burden associated with the proposed requirement for respondents to submit the notifications and reports electronically.

Electronic copies of records may also be maintained in order to satisfy federal recordkeeping requirements. For additional information on the Paperwork Reduction Act requirements for CEDRI and ERT for this rule, see: [*https://www.epa.gov/electronic-reporting-air-emissions/paperwork-reduction-act-pra-cedri-and-ert*](https://www.epa.gov/electronic-reporting-air-emissions/paperwork-reduction-act-pra-cedri-and-ert).

# **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.*

For reports required to be submitted electronically, the information is sent through the EPA's CDX, using CEDRI, where the appropriate EPA regional office can review it, as well as state and local agencies that have been delegated authority. If a state or local agency has adopted under its own authority its own standards for reporting or data collection, adherence to those non-Federal requirements does not constitute duplication.

For all other reports, if the subject standards have not been delegated, the information is sent directly to the appropriate EPA regional office. Otherwise, the information is sent directly to the delegated state or local agency. If a state or local agency has adopted its own standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, duplication does not exist.

# **MINIMIZING BURDEN ON SMALL ENTITIES:**

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

The regulation affects both small and large entities. While the exact distribution of small and large entity is unknown, the impact on small entities (i.e., small businesses) was taken into consideration during the development of the regulation. The recordkeeping and reporting requirements were selected within the context of this specific Subpart and the specific process equipment and pollutants. The requirements reflect the burden on small businesses. The Agency considers these to be the minimum requirements needed to ensure compliance and, therefore, cannot reduce them further for small entities. To the extent that larger businesses can use economies of scale to reduce their burden, the overall burden will be reduced. There is also a “low usage” exemption, which may reduce the recordkeeping and reporting burden for some small businesses. This “low usage” exemption stipulates that the provisions of the regulation do not apply to coatings used in volumes of less than 200 liters per year.

# **EFFECTS 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 specific frequency for each information collection activity within this request is shown at the end of this document in Tables 1a through 1c: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

# **GENERAL GUIDELINES:**

*Explain any special circumstances that require the collection to be conducted in a manner inconsistent with PRA Guidelines at 5 CFR 1320.5(d)(2).*

With the following exception, these reporting or recordkeeping requirements do not violate any of the regulations promulgated by OMB under 5 CFR Part 1320, Section 1320.5.

These standards require the respondents to maintain all records, including reports and notifications for at least five years. This is consistent with the General Provisions as applied to the standards. EPA believes that the five-year records retention requirement is consistent with the Part 70 permit program and the five-year statute of limitations on which the permit program is based. The retention of records for five years allows EPA to establish the compliance history of a source, any pattern of non-compliance and to determine the appropriate level of enforcement action. EPA has found that the most flagrant violators have violations extending beyond five years. In addition, EPA would be prevented from pursuing the violators due to the destruction or nonexistence of essential records.

# **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.*

An announcement of a public comment period for the renewal of this ICR was published in the *Federal Register* (88 FR 31748) on May 18, 2023. No comments were received on the burden published in the *Federal Register* for this renewal.

## **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 Agency has consulted industry experts and internal data sources to project the number of affected facilities and industry growth over the next three years.The primary source of information as reported by industry, in compliance with the recordkeeping and reporting provisions in the standard, is the Integrated Compliance Information System (ICIS). ICIS is EPA’s database for the collection, maintenance, and retrieval of compliance data for industrial and government-owned facilities. The growth rate for the industry is based on our consultations with the Agency’s internal industry experts. Approximately 56 respondents will be subject to the standard over the three-year period covered by this ICR.

Industry trade association(s) and other interested parties were provided an opportunity to comment on the burden associated with the standard as it was being developed and the standard has been previously reviewed to determine the minimum information needed for compliance purposes. In developing this ICR, we contacted both Akzo Nobel – International Paint, LLC at (629) 802-3999 and Bollinger Shipyards at (985) 532-2554. In this case, no comments were received.

It is our policy to respond after a thorough review of comments received since the last ICR renewal as well as those submitted in response to the first *Federal Register* notice. In this case, no comments were received.

# **PAYMENTS OR GIFTS TO RESPONDENTS:**

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

The Agency does not intend to provide payments or gifts to respondents as part of this collection.

# **PROVISIONS FOR PROTECTION OF INFORMATION:**

*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.*

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in Title 40, chapter 1, part 2, subpart B - Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

# **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 reporting or recordkeeping requirements in the standard do not include sensitive questions.

# **RESPONDENT BURDEN HOURS AND 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.*
* *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 here. Instead, this cost should be included as O&M costs under non-labor costs covered under question 13.*

## **12a. RESPONDENTS/NAICS CODES**

The respondents to the recordkeeping and reporting requirements are shipbuilding and repair facilities. The United States Standard Industrial Classification (SIC) code for the respondents affected by the standards is SIC 3731 which corresponds to the North American Industry Classification System (NAICS) 336611 for Ship Building and Repairing.

Based on our research for this ICR, on average over the next three years, approximately 56 existing respondents will be subject to the standard. It is estimated that no additional respondents per year will become subject. The overall average number of respondents, as shown in the table below, is 56 per year.

The number of respondents is calculated using the following table that addresses the three years covered by this ICR.

| **Number of Respondents** |
| --- |
|  | Respondents That Submit Reports | Respondents That Do Not Submit Any Reports |  |
| Year | (A)Number of New Respondents a | (B)Number of Existing Respondents | (C)Number of Existing Respondents that keep records but do not submit reports | (D)Number of Existing Respondents That Are Also New Respondents | (E)Number of Respondents(E=A+B+C-D) |
| 1 | 0 | 56 | 0 | 0 | 56 |
| 2 | 0 | 56 | 0 | 0 | 56 |
| 3 | 0 | 56 | 0 | 0 | 56 |
| Average | 0 | 56 | 0 | 0 | 56 |

a New respondents include sources with constructed, reconstructed and modified affected facilities.

Column D is subtracted to avoid double-counting respondents. As shown above, the average Number of Respondents over the three-year period of this ICR is 56.

The total number of annual responses per year is calculated using the following table:

| **Total Annual Responses** |
| --- |
| (A)Information Collection Activity | (B)Number of Respondents | (C)Number of Responses | (D)Number of Existing Respondents That Keep Records But Do Not Submit Reports | (E)Total Annual ResponsesE=(BxC)+D |
| Semiannual Report/Notification | 56 | 2 | 0 | 112 |
|  |  |  | **Total** | **112** |

The number of Total Annual Responses is 112.

The total annual labor costs are $3,390,000. Details regarding these estimates may be found at the end of this document in Tables 1a through 1c: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

## **12b. INFORMATION REQUESTED**

In this ICR, all the data that are recorded or reported is required by the NESHAP for Shipbuilding and Shir Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II).

A source must make the following reports:

| **Notifications** |
| --- |
| Construction/reconstruction | §63.5  |
| Initial notifications  | §§63.9(b), 63.787(a)  |
| Report of performance test results | §§63.10(d)(2), 63.788(a) |
| Initial performance test | §§63.7(b), 63.9(e) |
| Rescheduled initial performance test | §63.7(b)(2) |
| Continuous monitoring system notifications | §63.9(g)  |
| Request for extension of compliance, adjustments in time periods, and changes in information | §§63.9(c), (i), and (j), 63.787(a) |
| Special compliance requirements | §§63.9(d), 63.787(a) |
| Notification of changes in information (reclassification to area source status or to revert to major source status) (electronic submission) | §63.9(b), §63.9(j) |

| **Reports** |
| --- |
| Compliance status  | §63.9(h) |
| Opacity or visible emissions | §§63.10(d)(3), 63.788(a) |
| Startup, shutdown, malfunction reports | §§63.10(d)(5), 63.788(a) |
| Progress reports | §§63.10(d)(4), 63.788(a) |
| Additional reports for sources with continuous monitoring systems  | §§63.10(e), 63.788(a) |
| Implementation plan | §63.787(b) |
| Semiannual report of coating and thinner usage | §63.788(c) |
| Request for waiver of recordkeeping or reporting requirements | §§63.10(f), 63.788(a) |

A source must keep the following records:

| **Recordkeeping** |
| --- |
| Startups, shutdowns, malfunctions, periods where the continuous monitoring system is inoperative | §§63.10(b)(2), 63.788(a) |
| All reports and notifications | §§63.10(a), 63.10(b), 63.788(a), 63.788(b) |
| Record of applicability | §§63.10(b)(3), 63.788(a) |
| Records for sources with continuous monitoring systems | §§63.10(c), §63.788(a) |
| Records of coating applied | §63.788(b)(1) |
| Records related to initial notification and implementation plan  | §63.788(b)(2) |
| Records related to coatings and containers used | §63.788(b)(2) |
| Records related to coatings and thinners used | §63.788(b)(3) |
| Records are required to be retained for five years. The first 2 years of records must be retained at the facility. | §63.788(b) |

## **12c. RESPONDENT ACTIVITIES**

| **Respondent Activities** |
| --- |
| Familiarization with the regulatory requirements. |
| Install, calibrate, maintain, and operate CMS for opacity, or for pressure drop and liquid supply pressure for control device. |
| Perform initial performance test, Reference Method 24 test, and repeat performance tests if necessary. |
| Write the notifications and reports listed above. |
| Enter information required to be recorded above. |
| Submit the required reports developing, acquiring, installing, and utilizing technology and systems for collecting, validating, and verifying information. |
| Develop, acquire, install, and utilize technology and systems for processing and maintaining information. |
| Develop, acquire, install, and utilize technology and systems for disclosing and providing information. |
| Train personnel to be able to respond to a collection of information. |
| Transmit, or otherwise disclose the information. |

The specific frequency for each information collection activity within this request is shown at the end of this document in Tables 1a through 1c: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

## **12d. RESPONDENT BURDEN HOURS AND LABOR COSTS**

Tables 1a through 1c documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the subpart included in this ICR. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The 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.

This ICR uses the following labor rates for privately-owned facilities:

Managerial $163.17 ($77.70 + 110%)

Technical $130.28 ($62.04 + 110%)

Clerical $65.71 ($31.29 + 110%)

These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2022, “Table 2. Civilian workers by occupational and industry group.” The rates are from column 1, “Total compensation.” The rates have been increased by 110 percent to account for varying industry wage rates and the additional overhead business costs of employing workers beyond their wages and benefits, including business expenses associated with hiring, training, and equipping their employees.

For Federal facilities, this ICR uses the following labor rates:

Managerial $73.46 (GS-13, Step 5, $45.91 + 60%)

Technical $54.51 (GS-12, Step 1, $34.07 + 60%)

Clerical $29.50 (GS-6, Step 3, $18.44 + 60%)

These rates are from the Office of Personnel Management (OPM), 2023 General Schedule, which excludes locality rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees.

The total annual labor hours are 28,700. Details regarding these estimates may be found in Tables 1a through 1c: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities – Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

We assume that burdens for managerial tasks take 5% of the time required for technical tasks because the typical tasks for managers are to review and approve reports. Clerical burdens are assumed to take 10% of the time required for technical tasks because the typical duties of clerical staff are to proofread the reports, make copies and maintain records.

Furthermore, the annual public reporting and recordkeeping burden for this collection of information is estimated to average 256 hours per response.

# **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 only costs to the regulated industry resulting from information collection activities required by the subject standard(s) are labor costs. There are no capital/startup or operation and maintenance costs.

The only type of industry costs associated with the information collection activity in the regulations are labor costs. There are no capital/startup or operation and maintenance costs.

The total annual capital/startup and O&M costs to the regulated entity are $0. The cost calculations are detailed in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Costs.

# **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 conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information.

|  |
| --- |
| **Agency Activities** |
| Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry. |
| Audit facility records. |
| Input, analyze, and maintain data in the Enforcement and Compliance History Online (ECHO) and ICIS. |

Following notification of startup, the reviewing authority could inspect the source to determine whether the pollution control devices are properly installed and operated. Performance test reports are used by the Agency to discern a source’s initial capability to comply with the emission standard and note the operating conditions under which compliance was achieved. Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

Information contained in the reports is reported by state and local governments in the ICIS Air database, which is operated and maintained by EPA's Office of Compliance. EPA uses ICIS for tracking air pollution compliance and enforcement by local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and its delegated Authorities can edit, store, retrieve and analyze the data.

The records required by this regulation must be retained by the owner/operator for five years.

## **14b. Agency Burden and Labor Cost**

The only costs to the Agency are those costs associated with analysis of the reported information. EPA's overall compliance and enforcement program includes activities such as the examination of records maintained by the respondents, periodic inspection of sources of emissions, and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is estimated to be $13,700.

This cost is based on the average hourly labor rate as follows:

 Managerial $73.46 (GS-13, Step 5, $45.91 + 60%)

Technical $54.51 (GS-12, Step 1, $34.07 + 60%)

 Clerical $29.50 (GS-6, Step 3, $18.44 + 60%)

These rates are from the Office of Personnel Management (OPM), 2023 General Schedule, which excludes locality rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear at the end of this document in Table 2: Average Annual EPA Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

The average annual Agency burden and cost over next three years is estimated to be 258 labor hours at a cost of $13,700. See Table 2: Average Annual EPA Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal).

We assume that burdens for managerial tasks take 5% of the time required for technical tasks because the typical tasks for managers are to review and approve reports. Clerical burdens are assumed to take 10% of the time required for technical tasks because the typical duties of clerical staff are to proofread the reports, make copies and maintain records.

## **14c. Agency Non-Labor Costs**

There are no anticipated non-labor costs for the Agency.

# **CHANGE IN BURDEN:**

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

There is a slight increase adjustment in burden from the most recently approved ICR as currently identified in the OMB Inventory of Approved Burdens. This is due to two considerations. First, the regulations have not changed over the past three years and are not anticipated to change over the next three years. Second, the growth rate for this industry is very low or non-existent, so there is no significant change in the overall burden.

# **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.*

# Although this rule does not require electronic reporting, respondents could choose to submit notifications or reports electronically. All non-CBI data submitted electronically to the Agency through CEDRI are available to the public for review and printing and are accessible using WebFIRE. Electronically submitted emissions data from performance testing or performance evaluations using the Electronic Reporting Tool or templates attached to CEDRI, as well as data from reports from regulations with electronic templates, are tabulated; data submitted as portable document format (PDF) files attached to CEDRI are neither tabulated nor subject to complex analytical techniques. Electronically submitted emissions data used to develop emissions factors undergo complex analytical techniques and the draft emissions factors are available on the Clearinghouse for Inventories and Emission Factors listserv at https://www.epa.gov/chief/chief-listserv for public review and printing. Electronically submitted emissions data, as well as other data, obtained from one-time or sporadic information collection requests often undergo complex analytical techniques; results of those activities are included in individual rulemaking dockets and are available at https://www.regulations.gov/ for public review and printing.

# **DISPLAY OF OMB CONTROL NUMBER AND EXPIRATION DATE ON INSTRUMENTS:**

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

The Agency plans to display the expiration date for OMB approval of the information collection on all instruments.

# **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.

# **ADDITIONAL TABLES AND APPENDICES**

**Table 1a: Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal) (Private Sector)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Burden Item | (A)Person hours per occurrence | (B)No. of occurrences per respondent per year | (C) Person hours per respondent per year (C=AxB) | (D)Respondents per year a | (E) Technical person- hours per year (E=CxD) | (F)Management person hours per year (Ex0.05) | (G)Clerical person hours per year (Ex0.1) | (H)Cost, $ b |
| 1. Applications | N/A |   |   |   |   |   |   |   |
| 2. Survey and Studies | N/A |   |   |   |   |   |   |   |
| 3. Reporting Requirements |   |   |   |   |   |   |   |   |
| a. Familiarization with Regulatory Requirements | 1 | 1 | 1 | 50 | 50 | 2.5 | 5 | $7,250.48  |
| b. Required Activities | See 3e |   |   |   |   |   |   |   |
| c. Create Information | See 3e |   |   |   |   |   |   |   |
| d. Gather Existing Information | See 3e |   |   |   |   |   |   |   |
| e. Write Report |   |   |   |   |   |   |   |   |
| Notification of Construction/Reconstructionc | 2 | 1 | 2 | 0 | 0 | 0 | 0 | $0  |
| Notification of Demonstration of CMSc | N/A |   |   |   |   |   |   |   |
| Report of Performance Testc | N/A |   |   |   |   |   |   |   |
| Initial Notification and Implementationc | 14 | 1 | 14 | 0 | 0 | 0 | 0 | $0  |
| Semiannual Notification of Compliance Status | 8 | 2 | 16 | 50 | 800 | 40 | 80 | $116,007.60  |
| ***Subtotal for Reporting Requirements*** |   |   |   |   | **978** | **$123,258.08**  |
| 4. Recordkeeping Requirements |   |   |   |   |   |   |   |   |
| a. Familiarization with Regulatory Requirements | See 3e |   |   |   |   |   |   |   |
| b. Plan Activities | N/A |  |  |  |  |  |  |  |
| c. Implement Activities | 8 | 50 | 400 | 50 | 20000 | 1000 | 2000 | $2,900,190.00  |
| d. Develop Record Systemc | 8 | 1 | 8 | 0 | 0 | 0 | 0 | $0  |
| e. Train Personnel | 28 | 1 | 28 | 50 | 1400 | 70 | 140 | $203,013.30  |
| g. Audits | N/A |   |   |   |   |   |   |   |
| ***Subtotal for Recordkeeping Requirements*** |  | ***24,610*** | ***$3,103,203***  |
| **Total Labor Burden and Costs (rounded) d** |  | ***25,600*** | ***$3,230,000***  |
| **Total Capital and O&M Cost (rounded) d** |  | ***$0***  |
| **GRAND TOTAL (rounded) d** |  | ***$3,230,000***  |
|  |  |  |  |  |  |  |  |  |
| **Assumptions:** |  |  |  |  |  |  |  |  |
| a Number of affected facilities per year is 56. We assume 90 percent of sources are in the private sector, or approximately 50 respondents. We have assumed that there will be no new growth over the three-year period of this ICR. We assume that each respondent will have to familiarize with the regulatory requirements each year.  |
| b This ICR uses the following labor rates: Managerial $163.17 ($77.70 + 110%); Technical $130.28 ($62.04 + 110%); and Clerical $65.71 ($31.29 + 110%). These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2022, “Table 2. Civilian Workers, by occupational and industry group.” The rates are from column 1, “Total compensation.” The rates have been increased by 110 percent to account for varying industry wage rates and the additional overhead business costs of employing workers beyond their wages and benefits, including business expenses associated with hiring, training, and equipping their employees. |
| c We have assumed this is a one-time-only cost. |
| d Totals have been rounded to 3 significant figures. Figures may not add exactly due to rounding. |

**Table 1b: Average Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal) (Public Sector)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Burden Item | (A)Person hours per occurrence | (B)No. of occurrences per respondent per year | (C) Person hours per respondent per year (C=AxB) | (D)Respondents per year a | (E) Technical person- hours per year (E=CxD) | (F)Management person hours per year (Ex0.05) | (G)Clerical person hours per year (Ex0.1) | (H)Cost, $ b |
| 1. Applications | N/A |   |   |   |   |   |   |   |
| 2. Survey and Studies | N/A |   |   |   |   |   |   |   |
| 3. Reporting Requirements |   |   |   |   |   |   |   |   |
| a. Familiarization with Regulatory Requirements | 1 | 1 | 1 | 6 | 6 | 0.3 | 0.6 | $366.80  |
| b. Required Activities | See 3e |   |   |   |   |   |   |   |
| c. Create Information | See 3e |   |   |   |   |   |   |   |
| d. Gather Existing Information | See 3e |   |   |   |   |   |   |   |
| e. Write Report |   |   |   |   |   |   |   |   |
| Notification of Construction/Reconstructionc | 2 | 1 | 2 | 0 | 0 | 0 | 0 | $0  |
| Notification of Demonstration of CMSc | N/A |   |   |   |   |   |   |   |
| Report of Performance Testc | N/A |   |   |   |   |   |   |   |
| Initial Notification and Implementationc | 14 | 1 | 14 | 0 | 0 | 0 | 0 | $0  |
| Semiannual Notification of Compliance Status | 8 | 2 | 16 | 6 | 96 | 4.8 | 10 | $5,868.77  |
| ***Subtotal for Reporting Requirements*** |   |   |   |   | **117** | **$6,235.57**  |
| 4. Recordkeeping Requirements |   |   |   |   |   |   |   |   |
| a. Familiarization with Regulatory Requirements | See 3e |   |   |   |   |   |   |   |
| b. Plan Activities | N/A |  |  |  |  |  |  |  |
| c. Implement Activities | 8 | 50 | 400 | 6 | 2400 | 120 | 240 | $146,719.20  |
| d. Develop Record Systemc | 8 | 1 | 8 | 0 | 0 | 0 | 0 | $0  |
| e. Train Personnel | 28 | 1 | 28 | 6 | 168 | 8.4 | 16.8 | $10,270.34  |
| g. Audits | N/A |   |   |   |   |   |   |   |
| ***Subtotal for Recordkeeping Requirements*** |  | ***2,953*** | ***$156,990***  |
| **Total Labor Burden and Costs (rounded) d** |  | ***3,070*** | ***$163,000***  |
| **Total Capital and O&M Cost (rounded) d** |  | ***$0***  |
| **GRAND TOTAL (rounded) d** |  | ***$163,000***  |
|  |  |  |  |  |  |  |  |  |
| **Assumptions:** |  |  |  |  |  |  |  |  |
| a Number of affected facilities per year is 56. We assume 10 percent of sources are in the private sector, or approximately 6 respondents. We have assumed that there will be no new growth over the three-year period of this ICR. We assume that each respondent will have to familiarize with the regulatory requirements each year.  |
| b This cost is based on the average hourly labor rate as follows: Managerial $73.46 (GS-13, Step 5, $45.91 + 60%); Technical $54.51 (GS-12, Step 1, $34.07 + 60%); and Clerical $29.50 (GS-6, Step 3, $18.44 + 60%). This ICR assumes that Managerial hours are 5 percent of Technical hours, and Clerical hours are 10 percent of Technical hours. These rates are from the Office of Personnel Management (OPM), 2023 General Schedule, which excludes locality, rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. |
| c We have assumed this is a one-time-only cost. |
| d Totals have been rounded to 3 significant figures. Figures may not add exactly due to rounding. |

**Table 1c: Average Annual Respondent Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Affected Sector** | **Number of Responses** | **Labor Hours** | **Labor Cost** | **Capital and O&M Cost** |
| **Reporting** | **Recordkeeping** | **Total** |
| Private | 50 | 978 | 24,610 | 25,600 | $3,230,000  | $0  |
| Public (Federal) | 6 | 117 | 2,953 | 3,070 | $163,000  | $0  |
| ***Total a*** | ***56*** | ***1,090*** | ***27,600*** | ***28,700*** | ***$3,390,000***  | ***$0***  |
| a Totals have been rounded to 3 significant figures. Figures may not add exactly due to rounding. |  |  |

**Table 2: Average Annual EPA Burden and Cost – NESHAP for Shipbuilding and Ship Repair Facilities - Surface Coating (40 CFR Part 63, Subpart II) (Renewal)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Burden item | (A) Person hours per occurrence | (B) No. of occurrences per respondent per year | (C) Person hours per respondent per year (C=AxB) | (D) Respondents per year a | (E) Technical person- hours per year (E=CxD) | (F) Management person hours per year (Ex0.05) | (G) Clerical person hours per year (Ex0.1) | (H) Cost, $ b |
| Initial Performance Testsc | N/A |   |   |   |   |   |   |   |
| Repeat Performance Test | N/A |   |   |   |   |   |   |   |
| Report Review |   |   |   |   |   |   |   |   |
| Notification of Constructionc | 2 | 1 | 2 | 0 | 0 | 0 | 0 | $0.00  |
| Review of Initial Notification and Implementation Planc | 2 | 1 | 2 | 0 | 0 | 0 | 0 | $0.00  |
| Review of Semiannual Notification of Compliance Status | 2 | 2 | 4 | 56 | 224 | 11.2 | 22.4 | $13,693.79  |
| **TOTAL (rounded) d** |  | **258** | **$13,700**  |
|  |
| **Assumptions:** |
| a Number of affected facilities per year is 56. |
| b This cost is based on the average hourly labor rate as follows: Managerial $73.46 (GS-13, Step 5, $45.91 + 60%); Technical $54.51 (GS-12, Step 1, $34.07 + 60%); and Clerical $29.50 (GS-6, Step 3, $18.44 + 60%). This ICR assumes that Managerial hours are 5 percent of Technical hours, and Clerical hours are 10 percent of Technical hours. These rates are from the Office of Personnel Management (OPM), 2023 General Schedule, which excludes locality, rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. |
| c We have assumed this is a one-time-only cost. |
| d Totals have been rounded to 3 significant figures. Figures may not add exactly due to rounding. |