

**FINAL SUPPORTING STATEMENT – PART A  
RECORDKEEPING AND REPORTING RELATED TO FUEL QUALITY  
REGULATIONS FOR DIESEL FUEL SOLD IN 2001 & LATER YEARS; FOR TAX-  
EXEMPT (DYED) HIGHWAY DIESEL FUEL; AND NON-ROAD LOCOMOTIVE &  
MARINE DIESEL FUEL: RENEWAL**

**DOCKET EPA-HQ-OAR-2007-1121  
EPA ICR No.: 1718.10**

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title of the Information Collection

Fuel Quality Regulations for Diesel Fuel Sold in 2001 & Later Years; for Tax-Exempt (Dyed) Highway Diesel Fuel; & Non-Road Locomotive & Marine Diesel Fuel (Renewal). EPA Control Number 1718.10, OMB Control Number: 2060-0308.

1(b) Short Characterization/Abstract

This ICR renewal is related to EPA’s diesel fuel regulations under 40 CFR Part 80, Subpart I, applicable to highway (“motor vehicle” or “MV”) diesel fuel and non-road, locomotive and marine diesel fuel (NRLM) and heating oil (HO). Most of the information collected under this ICR is used to evaluate compliance with the requirements of the regulations. Since virtually all MV diesel fuel was required to meet a 15 part per million (ppm) sulfur standard as of June 1, 2010, very little reporting related to MV diesel fuel remains. However, reporting related to NRLM and HO will continue throughout the course of this proposed ICR renewal. The activities associated with this ICR include: registration (all parties have registered; updates to existing registrations are still possible); compliance reports (mostly covering NRLM and HO; updates to prior compliance reports for MV diesel are still possible); research and development (R&D) exemptions; generation and retention of quality assurance (QA) records; foreign refiner recordkeeping and reporting; placement of PTD codes (a typically automated process, to indicate the presence of dye in tax-exempt fuel and/or sulfur content). This ICR renewal contains provisions related to qualification of laboratories on performance-based test methods. Virtually all applications have already been received from laboratories and acted upon by EPA.

2. NEED FOR AND USE OF THE

COLLECTION 2(a) Need/Authority for the

Collection

This supporting statement covers the recordkeeping and reporting requirements and the associated costs to various parties (e.g., refiners, importers, distributors, and retailers of diesel fuel). These general recordkeeping and requirements are necessary to enable the Administrator to:

- (1) Identify the sources of diesel fuel; and
- (2) Ensure that these sources comply with the standards and limitations of the rules.

An effective enforcement scheme is necessary to ensure that the environmental goals of the diesel program are met, and that those complying with the requirements in good faith are not disadvantaged by non-complying parties. The diesel program requirements create a significant economic incentive for noncompliance.

For performance-based qualification of test methods for diesel fuel, reported data will enable EPA to:

- 1) Qualify laboratories to use test methods based upon accuracy and precision criteria that is supported by industry.
- 2) Ensure that diesel fuel and heating oil meet the standards required under the regulations at 40 CFR Part 80 and that the associated benefits to human health and the environment are realized.

#### 2(b) Practical Utility/Users of the Data

EPA will use the information contained in the reports required by this information collection to evaluate the compliance of parties involved in the production and importation of diesel with the diesel fuel requirements. These reports will also be used by EPA to target compliance investigations.

PTDs maintained by parties in the diesel fuel distribution system and records related to diesel blending will be used to evaluate the compliance of the parties that maintain the records, and to help evaluate upstream compliance. PTDs are normally generated and retained in the course of business (i.e., they are customary business practices or “CBP”). There is a small burden associated with the placement of sulfur content and/or dye notices, a process which is typically automated.

The automatically printed notice on tax-exempt highway diesel product transfer documents (which EPA allows to be stated in coded form to save space), allows EPA to determine if dyed product is intended for highway use or is high sulfur diesel for off-road use only. It also helps industry to make this determination.

The EPA's Office of Enforcement and Compliance Assurance, Air Enforcement Division is the governmental user of the information contained in the required records.

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

#### 3(a) Non-Duplication

Efforts have been made to eliminate duplication in this information collection. Where possible, information requirements from various organizations within the Agency have been combined to minimize the submittal of duplicate information in different formats. The information in this collection will not be available from another source.

#### 3(b) Public Notice Prior to Submission to OMB

EPA published a Federal Register Notice soliciting public comments on this ICR for 60 days on May 29, 2015 (80FR-30677) and received no public comments.

#### 3(c) Consultations

We sent the estimates to members of the regulated community Patrick Kelley, Senior Policy Advisor American Petroleum Institute at (202) 682-8192 and Tim Hogan, Motor Fuels Director American Fuel & Petrochemical Manufacturers at (202) 552-8462 in an effort to solicit input. The respondents expressed general agreement with the estimates in this supporting statement. Mr. Hogan addressed a few questions about the time needed to respond to two of our forms, DSFO401 Diesel Sulfur Batch Report and DSFO601 Designate and Track Total Volume. He suggested that the hour response should be higher. Mr. Hogan also pointed out two other forms, DSF0900 Motor Vehicle Diesel Sulfur Pre-compliance and DSF0951 NRLM Diesel Sulfur Pre-compliance. These forms are held for recordkeeping and reporting reasons and will be taken down with the next ICR three year cycle.

#### 3(d) Effect of Less Frequent Collection

The diesel rule requires refiners and importers to submit annual reports which will, by the information contained therein, demonstrate a party's compliance with the applicable sulfur standards. Less frequent submittal of such reports would severely hinder EPA's ability to monitor compliance, and would likely lead to noncompliance. In the case of the dye requirements, a less frequent collection is not practical, since the information must appear on product transfer documents at the time custody is transferred.

#### 3(e) General Guidelines

The requirement requires record retention for five (5) years. The Agency believes this is important to the success of the program. With the large economic incentive to not comply that exists because of the substantial difference in price that can exist between low sulfur diesel and

high sulfur diesel, it is imperative that EPA maintain deterrence by assuring that all parties know that EPA will be able to distinguish the difference between high sulfur and low sulfur deliveries via a review of records generated in the normal course of business (i.e., CBP). The requirement to retain for five (5) years is consistent with other record retention periods in the fuels regulations, with the applicable 5 year statute of limitations, and CBP. Most entities already keep these records for 5 or more years for tax and other business purposes.

### 3(f) Confidentiality

Proprietary information is routinely submitted by refiners and importers as part of annual reports and as part of requests for research and development or hardship exemptions. Confidentiality for such information is covered by established Agency procedures and the regulations at 40 CFR Part 2.

### 3(g) Sensitive Questions

No questions of a sensitive nature are asked in this information collection such as i.e. social security numbers, credit card numbers or dates of birth.

## 4. THE RESPONDENTS AND THE INFORMATION COLLECTED

### 4(a) Respondents/SIC Codes

The respondents to this information collection are:

- Refiners (both domestic and foreign refiners who manufacture diesel for use in the U.S.)
- Importers of diesel into the U. S.
- Diesel distributors, carriers, wholesale purchaser-consumers, and retailers
- Testing laboratories

Recordkeeping and, in some cases, reporting is required by the following industries, with SIC Code/2002 NAICS Code indicated:

Refiners (2911/324110),  
Importers (5172/424720),  
Pipelines (4613),  
Petroleum marketers and other distributors (5171, 5172/424710, 424720),  
Terminals (5171/424710),  
Fuel oil dealers (5172/424720),  
Fuel additive manufacturers (2911/424720),  
Petroleum retailers and wholesale purchaser-consumers (5171, 5172/424710, 424720)  
Laboratories (8734/541380).

### 4(b) Information Requested

## 1. Data Items

Knowledge of the following definitions at 40 CFR Part 2 is important for a thorough understanding of the reporting and recordkeeping requirements:

“Diesel fuel” means any fuel sold in any state or Territory of the United States and suitable for use in diesel motor vehicles, diesel motor vehicle engines or diesel non-road engines, and which is commonly or commercially known or sold as diesel fuel.

“Motor vehicle diesel fuel” means any diesel fuel, or any distillate product, that is used, intended for use, or made available for use, as a fuel in diesel motor vehicles or diesel motor vehicle engines.

“Refinery” means a plant in the United States at which gasoline or diesel fuel is produced.

“Foreign refinery” means a refinery that is located outside the United States.

“Refiner” means any person who owns leases, operates, controls, or supervises a refinery.

“Importer” means a person who imports gasoline, gasoline blending stocks or components, or diesel from a foreign country into the United States (including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).

“Sulfur percentage” is the percentage of sulfur in diesel fuel by weight, as determined using one of the test methods specified in the regulations.

“Parts per million (ppm)” is a typical method of expressing sulfur content in diesel fuel.

“Batch of motor vehicle diesel fuel” means a quantity of diesel fuel which is homogenous with regard to those properties that are specified for motor vehicle diesel fuel under 40 CFR subpart I.

## 2. Recordkeeping and Reporting Requirements

Table I summarizes the information to be collected by form and respondent. If no form exists, the information item is identified by party.

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

### 5(a) Agency Activities

- All reported compliance data will be reviewed by EPA.
- EPA will contact submitters about problem submissions.

- Where appropriate, we will prepare a written response to the submitter.
- The data will be stored.

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

EPA accepts common electronic formats for most of the reporting requirements - for example, annual reports may be submitted in any of several commercial spreadsheet formats or, more simply, as comma-delimited text/comma-separated value fields.

The product transfer document information can be included on standard transfer documentation customarily used in the ordinary course of business (i.e., CBP). EPA allows the information to be encoded by upstream parties (refiners, importers, and terminals) to facilitate reporting and save space.

The information is carefully reviewed for compliance with the requirements. Most of the compliance information submitted to the Agency is claimed as business confidential. It is stored in a secure area and in a secure database. Forms associated with collection are as follows:

DSF0100 Form: Diesel Fuel Sulfur Credit Banking and Generation Report	5900-334
DSF0200 Form: Diesel Fuel Sulfur Credit Transfer Report	5900-333
DSF Form: ECA Marine Fuel Precision Demonstration	5900-352
DSF0302 Form: Diesel Fuel Facility Report	5900-323
DSF0401 Form: Diesel Fuel Sulfur Batch Report	5900-324
DSF0504 Forms: Designated and Track Handoff Report	5900-325
DSF0601 Designate and Track Total Volume Report	5900-326
DSF0700 Designate Track Facility Compliance Report	5900-327
DSE0700 Form: Designate and Track Entity Compliance Report	5900-328
DSE0900 Form: Motor Vehicle Diesel Sulfur Pre-Compliance Report	5900-329
DSF0951 Form: NRLM Diesel Sulfur Pre-Compliance Report	5900-330
DLQ001 Form: (Used for lab test method)	EPA-420-B-14-066a

#### 5(c) Small Entity Flexibility

The information collection reduces (to the extent practicable and appropriate) the burden on respondents, including small entities. The major reporting requirements apply to refiners and importers of diesel, which are not usually small businesses.

### 6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

#### a. Estimating the Respondent Universe

We drew upon experience implementing similar regulations among the same and similar entities to develop estimates of the burden associated with this collection.

#### (i) Estimating Respondent Costs

(ii) Estimating Labor Costs

In discussions with industry, four labor categories were identified as having involvement: managerial, legal, professional/technical (prof/tech) and clerical. <sup>1</sup> According to the Bureau of Labor Statistics, May 2013 National Industry-Specific Occupational Employment and Wage Estimates, mean wages were:

Wages

Managerial	\$63.74 per hour
Legal	\$82.50 per hour
Prof/Tech	\$56.24 per hour
Clerical	\$17.32 per hour

Doubling for company overhead and, for convenience, rounding to the nearest dollar, gives the following rates that will be used for this ICR:

Total Employer Cost

Managerial	\$128
Legal	\$165
Prof/Tech	\$113
Clerical	\$ 35

The labor mix for each task is assumed to be about 0.05 hour managerial, 0.05 hour legal, 0.7 hour professional/technical, and 0.2 hour clerical. This gives an average labor cost of about \$101 per hour, which will be used in this ICR. Our estimates are summarized in the following table:

---

<sup>1</sup> Bureau of Labor Statistics, May 2013 National Industry-Specific Occupational Employment and Wage [http://www.bls.gov/oes/current/naics4\\_324100.htm](http://www.bls.gov/oes/current/naics4_324100.htm), NAICS 324100 - Petroleum and Coal Products Manufacturing,

TABLE 1 - ESTIMATES BY FORM NUMBER

Collection Activity	Type of Party	Number in Party	No. of Responses Per Party	Total No. of Responses	Time Per Response Hour	Cost Per Hour	Total Hours	Total Cost \$
<b>Reporting</b>								
<a href="#">DSF0100 Form: 5900-351 Diesel Fuel Sulfur Credit Banking and Generation Report</a>	NRLM refiners	100	1	100	1	101	100	10100
	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
<a href="#">DSF0200 Form: 5900-333 Diesel Fuel Sulfur Credit Transfer</a>	NRLM refiners	100	1	100	1	101	100	10100
	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
<a href="#">DSF0301 Form: 5900-352 ECA Marine Fuel Precision Demonstration</a>	Labs	150	1	150	2	101	300	30300
<a href="#">DSF0302 Form: 5900-323 Diesel Fuel Sulfur Facility Report</a>	refiners	100	1	100	1	101	100	10100
	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
<a href="#">DSF0401 Form: 5900-324 Diesel Fuel Sulfur Batch Report</a>	NRLM refiners	100	1	100	1	101	100	10100
	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
<a href="#">DSF0504 Form: 5900-325 Designate and Track Handoff Report</a>	NRLM refiners	100	1	100	1	101	100	10100
	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
<a href="#">DSF0601 Form: 5900-326 Designate and Track Total Volume Report</a>	All Other NRLM Refiners	1000	1	1000	1	101	1000	101000
	Refiners	100	1	100	1	101	100	10100
	Importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
	All other parties	1000	1	1000	1	101	1000	101000
<a href="#">DSF0700 Form: 5900-327 Designate and Track Facility Compliance Report</a>	Refiners	100	1	100	1	101	100	10100
	Importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
	All other parties	1000	1	1000	1	101	1000	101000

<a href="#">DSE0700 Form: 5900-328</a>	NRLM refiners	100	1	100	1	101	100	10100
<a href="#">Designate and Track Entity Compliance Report</a>	importers	50	1	50	1	101	50	5050
	MV resubmissions	5	1	5	1	101	5	505
	All other parties	1000	1	1000	1	101	1000	101000
<a href="#">DSF0900 Form: 5900-329</a>	MV resubmission	5	1	5	1	101	5	505
<a href="#">Motor Vehicle Diesel sulfur Pre-Compliance Report</a>								
<a href="#">DSF0951 Form: 5900 - 350</a>	NRLM refiners	100	1	100	1	101	100	10100
<a href="#">NRLM Diesel Sulfur Pre-Compliance Report</a>	Importers	50	1	50	1	101	50	5050
<a href="#">DLQ001 Form: EPA-420-B-14-066a</a> ( Used for lab test method Qualifications.) - EPA-420-B-14-066a	Testing labs	1	1	1	180	101	180	18180
<b>Registration &amp; Other Items</b>								
<b>Updates to existing Registrations</b>	Any Party	1	2	0.5	1	101	1	101
<b>R&amp;D Exemptions</b>	Refiners	1	2	1	2	101	2	202
<b>QA Record Retention and Generation</b>	Refiners	150	100	15000	0.25	101	3750	378750
	Importers	50	100	5000	0.25	101	1250	126250
<b>Foreign Refiners Record-Keeping and Reporting</b>	Refiners	5	1	5	40	101	200	20200
<b>GRAND TOTALS</b>			<b>5753</b>		<b>25552.5</b>		<b>11078</b>	<b>1118878</b>
			<b>RESPONDENTS</b>		<b>RESPONSES</b>		<b>HOURS</b>	<b>COST \$</b>

Table II - Change in Burden Based upon Expiring Approval

	Previous ICR	This Renewal	Change (Numbers in parenthesis represent a reduction)
Total Responses	265,406	25,553	(239,853)
Total Hours	18,950	11,078	(7,872)

\* All of the cost indicated above is labor cost; we estimate that there will be \$0 in capital costs associated with this ICR.

Bottom Line from Table 1.

Respondents	5,753
Responses	25,553
Hours	11,078
Cost	\$1,118,878

6(c) Estimating Agency Burden and Cost

The Agency activities listed in 5(a) are part of an overall gasoline and diesel reporting system (including reformulated gasoline, conventional gasoline, and diesel). We estimate that this system costs approximately \$120,000 in personnel costs per year (i.e. approximately ¾ of a GS-13 employee with consideration of overhead and benefits).

6(d) and (e) Estimating the Respondent Universe and Total Burden and Costs, and Bottom Line Burden Hours and Costs. This was incorporated into 6(a) and (b).

6(f) Reasons for Change in Burden

For this renewal, we estimated a total annual respondent burden of 25,553 reports, a decrease of 239,853 reports from the last ICR approved by OMB. The number of hours decreased from 18,950 hours to 11,078 hours, a difference of 7,872 hours per year. The annual reporting and hourly burden decreased due to an expiring yellow 124 provision no longer required for diesel fuel. In this renewal, the Agency is also adding the electronic ECA Marine Fuel Precision Demonstration form. A contributing factor to the lowering of the industry cost was the salaries quoted in the “Bureau of Labor Statistics, May 2013 National Industry-Specific Occupational Employment and Wage Estimates, mean wages.” The salaries that assisted in calculating the labor mix had slightly declined. This change has caused a decrease in the cost per report in this collection from \$110 per report to \$101 per report. The total estimated cost to industry is

\$ 1,118,878 a year, a difference of \$ 965,622 calculated from the prior collection approved by OMB. For future approvals, we project that the cost to report will decrease significantly. The burden related to MV diesel reporting will phase out and virtually all laboratory qualification applications for test methods will be completed, decreasing total industry burden.

#### 6(g) Burden Statement

The public reporting burden for this Environmental Protection Agency (EPA) collection of information is estimated to average 1 hours per response. This includes time for reviewing instructions and regulations, searching company records, gathering the needed data, and completing, reviewing, copying, and transmitting the collection of information. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions or requirements; train personnel to be able to response to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR Part 9 and 48 CFR Chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2007-1121, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center is (202) 566-1742. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2007-1121 and OMB Control Number 2060-0308 in any correspondence.