



**United States Government Accountability Office
Washington, DC 20548**

B-298493

July 20, 2006

The Honorable James M. Inhofe
Chairman
The Honorable James M. Jeffords
Ranking Minority Member
Committee on Environment and Public Works
United States Senate

The Honorable Joe Barton
Chairman
The Honorable John D. Dingell
Ranking Minority Member
Committee on Energy and Commerce
House of Representatives

Subject: *Environmental Protection Agency: Standards of Performance for Stationary Compression Ignition Internal Combustion Engines*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Environmental Protection Agency (EPA), entitled "Standards of Performance for Stationary Compression Ignition Internal Combustion Engines" (RIN: 2060-AM82). We received the rule on July 5, 2006. It was published in the Federal Register as a final rule on July 11, 2006. 71 Fed. Reg. 39154.

The final rule contains standards of performance for stationary compression ignition internal combustion engines.

Enclosed is our assessment of the EPA's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that EPA complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is Robert Robinson,

Managing Director, Natural Resources and Environment. Mr. Robinson can be reached at (202) 512-3841.

signed

Kathleen E. Wannisky
Managing Associate General Counsel

Enclosure

cc: Louise Wise
Principal Deputy Associate Administrator
Environmental Protection Agency

ENCLOSURE

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY THE
ENVIRONMENTAL PROTECTION AGENCY
ENTITLED
"STANDARDS OF PERFORMANCE FOR STATIONARY COMPRESSION
IGNITION INTERNAL COMBUSTION ENGINES"
(RIN: 2060-AM82)

(i) Cost-benefit analysis

EPA performed a cost-benefit analysis of the final rule with the costs and benefits calculated for the year 2015. EPA estimates that the annualized costs at \$57 million and benefits of \$1.36 billion.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The Administrator of EPA has certified that the final rule will not have a significant economic impact on a substantial number of small entities.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

EPA states that the final rule does not contain either an intergovernmental or private sector mandate, as defined in title II, of more than \$100 million in any one year.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

Instead of the notice and comment procedures in the Administrative Procedure Act, EPA promulgated this rule using the procedures, which have similar notice and comment procedures, contained in section 307(d) of the Clean Air Act, as amended, 42 U.S.C. 7607(d). The use of these procedures regarding this rule is mandated by section 307(d)(1)(C) of the Clean Air Act. 42 U.S.C. 7607(d)(1)(C).

On July 11, 2005, EPA published a Notice of Proposed Rulemaking in the Federal Register. 70 Fed. Reg. 39870. In response, EPA received 47 comments, which are discussed in the preamble to the final rule.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The final rule contains information collections that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act. EPA has submitted to OMB the required information including the annual estimated burden. The annual burden is estimated to be 145,000 labor hours at a total annual cost of \$9,593,700.

Statutory authorization for the rule

The final rule is promulgated under the authority found at 42 U.S.C. 7401 et seq.

Executive Order No. 12866

The final rule was reviewed by OMB and found to be an “economically significant” regulatory action under the order.

Executive Order No. 13132 (Federalism)

EPA states that the final rule does not have federalism implications under the order.