

Federal Trade Commission/Office of the Secretary, Room 159-H, 600 Pennsylvania Avenue, NW., Washington, DC 20580. If the comment contains any material for which confidential treatment is requested, it must be filed in paper (rather than electronic) form, and the first page of the document must be clearly labeled "Confidential."¹ A public comment that does not contain any material for which confidential treatment is requested may instead be filed in electronic form (in ASCII format, WordPerfect, or Microsoft Word), as part of or as an attachment to an email message sent to the following email box: *afv@ftc.gov*. Regardless of the form in which they are filed, all timely comments will be considered by the Commission, and will be available (with confidential material redacted) for public inspection and copying at the Commission's principal office and on the Commission web site at *www.ftc.gov*. As a matter of discretion, the Commission makes every effort to remove home contact information for individuals from the public comments it receives, before placing those comments on the FTC web site.

The Alternative Fuel Rule, 16 CFR part 309 (Control Number: 3084-0094), issued under the Energy Policy Act of 1992, Pub. L. 102-486, requires disclosure of specific information on labels posted on fuel dispensers for non-liquid alternative fuels and on labels on alternative fueled vehicles (AFVs). To ensure the accuracy of these disclosures, the Rule also requires that sellers maintain records substantiating product-specific disclosures they include on these labels.

Burden Statement

It is common practice for alternative fuel industry members to determine and monitor fuel ratings in the normal course of their business activities. This is because industry members must know and determine the fuel ratings of their products in order to monitor quality and to decide how to market them. "Burden" for PRA purposes is defined to exclude effort that would be expended regardless of any regulatory requirement. 5 CFR 1320.2(b)(2). Moreover, as originally anticipated when the Rule was promulgated in 1995, many of the information

collection requirements and the originally-estimated hours were associated with one-time start up tasks of implementing standard systems and processes.

Other factors also limit the burden associated with the Rule. Certification may be a one-time event or require only infrequent revision. Disclosures on electric vehicle fuel dispensing systems may be useable for several years. (Label specifications were designed to produce labels to withstand the elements for several years.) Nonetheless, there is still some burden associated with posting labels. There also will be some minimal burden associated with new or revised certification of fuel ratings and recordkeeping. The burden on vehicle manufacturers is limited because only newly-manufactured vehicles will require label posting and manufacturers produce very few new models each year. Finally, there will be some burden, also minor, associated with recordkeeping requirements.

Estimated total annual hours burden: 2,100 total burden hours, rounded.

Non-Liquid Alternative Fuels

Recordkeeping: Staff estimates that all 1,800 industry members will be subject to the Rule's recordkeeping requirements (associated with fuel rating certification) and that compliance will require approximately one-tenth hour each per year for a total of 180 hours.

Certification: Staff estimates that the rule's fuel rating certification requirements will affect approximately 550 industry members (compressed natural gas producers and distributors and manufacturers of electric vehicle fuel dispensing systems) and consume approximately one hour each per year for a total of 550 hours.

Labeling: Staff estimates that labeling requirements will affect approximately nine of every ten industry members (or roughly 1,600 members), but that the number of annually affected members is only 320 because labels may remain effective for several years (staff assumes that in any given year approximately 20% of 1,600 industry members will need to replace their labels). Staff estimates that industry members require approximately one hour each per year for labeling their fuel dispensers for a total of 320 hours.

Sub-total: 12,050 hours (180 + 550 + 320).

AFV Manufacturers

Recordkeeping: Staff estimates that all 58 manufacturers will require 30 minutes to comply with the Rule's

recordkeeping requirements for a total of 29 hours.

Producing levels: Staff estimates 2.5 hours as the average time required of manufacturers to produce labels for each of the five new AFV models introduced among them each year for a total of 12.5 hours.

Posting labels: Staff estimates 2 minutes as the average time to comply with the posting requirements for each of the approximately 30,000 new AFVs manufactured each year for a total of 1,000 hours.

Sub-total: approximately 1,041 hours (29 + 12.5 + 1,000).

Thus, total burden for these industries combined is approximately 2,100 hours (1,050 + 1,041).

Estimated labor costs: \$47,000, rounded.

Labor costs are derived by applying appropriate hourly cost figures to the burden hours described above. According to Bureau of Labor Statistics staff, the average compensation for producers and distributors in the fuel industry is \$18.98 per hour and \$8.56 per hour for service station employees; the average compensation for workers in the vehicle industry is \$27.80 per hour.

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Certification and labeling: Generally, all of the estimated hours except for recordkeeping will be performed by producers and distributors of fuels. Thus, the associated labor costs would be \$16,512.60 (870 hours × \$18.98).

Recordkeeping: only 1/6 of the total 180 hours will be performed by the producers and distributors of fuels; the other 5/6 is attributable to service station employees (1/6 = 30 hours × \$18.98 = \$569.40 + (5/6 = 150 hours × \$8.56 = \$1,284.00) = \$1,853.40, for an estimated labor cost to the entire industry of \$18,366.00.

AFV Manufacturers

The maximum labor cost to the entire industry is approximately \$28,939.80 per year for recordkeeping and producing and posting labels (1,041 total hours × \$27.80/hour). Thus, estimated total labor cost for both industries for all paperwork requirements is \$47,000 (\$18,366.00 + \$28,939.80) per year, rounded to the nearest thousand.

Estimated annual non-labor cost burden: \$12,000, rounded.

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Staff believes that there are no current start-up costs associated with the Rule, inasmuch as the Rule has been effective since 1995. Industry members, therefore, have in place the capital

¹ FTC Rule 4.2(d), 16 CFR 4.2(d). The comment must also be accompanied by an explicit request for confidential treatment, including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission's General Counsel, consistent with applicable law and the public interest. See Commission Rule 4.9(c), 16 (CFR 4.9(c).