

Supporting Statement for Paperwork Reduction Act Submissions Test Procedures for Distribution Transformers

1. Explain the circumstances that make the collection of information necessary.

The Energy Policy Act of 2005 (P.L. 109-58) established minimum mandatory energy conservation standards for certain distribution transformers – specifically, low-voltage dry-type. While the energy conservation standards were codified by the Department on October 18, 2005 (70 FR 60407) with an effectiveness date of January 1, 2007, the Department did not yet have a test procedure in place by which manufacturers would test and certify their low-voltage dry-type transformers as compliant with the regulations. On April 27, 2006, the Department published its final rule on the test procedure for distribution transformers. 71FR24972. With that final rule notice, the paperwork requirements associated with testing these transformers for the purposes of demonstrating compliance became effective.

The Department published a final rule notice establishing test procedures for measuring the energy efficiency of distribution transformers, pursuant to sections 323(b)(10) and 346(a)(1) of the Energy Policy and Conservation Act. (42 U.S.C. 6293(b)(10) and 6317(a)(1)). It is under this authority that the Department is collecting information on the efficiency of the transformers manufactured for sale into the U.S. market.

2. Indicate how, by whom, and for what purpose the information is to be used.

The information will be collected from approximately 57 manufacturers of distribution transformers about 2 two times per year in order for the Department to ensure compliance with the energy conservation standards in the Energy Policy Act of 2005 and the Department of Energy's Final Rule contained in Title 10 Code of Federal Regulations Part 431. The information collection certification includes a listing of distribution transformer designs and products of the various manufacturers. There are no forms associated with this collection.

3. 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.

It is expected that approximately 50% of the information collected will be received by DOE electronically (via e-mail) and the remainder will be received via fax or through the mail.

4. Describe efforts to identify duplication.

The reporting requirements in the certification report are such that within a family of basic models, if a more efficient design is built than has already been reported to the Department, the manufacturer does not need to report the efficiency or demonstrate compliance in a filing to the Department. The manufacturer need only retain the

paperwork at their facility that records the measured efficiency, in the event of an enforcement proceeding, so they would be able to demonstrate their compliance with the regulation on all products shipped.

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

The collection does not have a significant impact on a substantial number of small entities.

6. 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.

If manufacturers do not comply with the periodic reporting requirement, there is a risk that transformers would be sold into the market at efficiency levels below the mandatory standards. This would have two detrimental effects: (1) it would distort the market, rewarding any company that was violating the standard because their products would be more cost-competitive than companies that were in compliance and (2) it would prevent the nation from benefiting from cost-effective energy savings with each non-compliant unit sold.

The Department is not aware of any technical or legal obstacles to reducing burden. Many distribution transformer manufacturers regularly tested their products, as the efficiency is one of the key properties that consumers of distribution transformers focus on.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with OMB guidelines.

Certain manufacturers may be required to retain records for more than three years. However, certain manufacturers may choose to certify the compliance of their distribution transformers manufactured through the “Alternative Efficiency Determination Method” or AEDM. This approach, in essence, enables the manufacturer to validate their design software, which predicts the efficiency of the transformer, before it is actually built. Once a sufficient number of designs are prepared, tested and the software is validated, the manufacturer can product designs and does not have to conduct further tests, they are able to file the efficiencies of their production runs as the predicted efficiencies from the software.

As long as the transformer manufacturer elects to use the AEDM method to certify compliance, they must retain records pertaining to the initial validation of the design and testing software. These records would be vital to the Department’s standards enforcement officers, should there ever be an enforcement proceeding against a manufacturer who was using the AEDM. Thus, the AEDM validation records would

need to be retained for as long as the manufacturer chooses to use the AEDM as its approach for representing compliant efficiencies to the Department.

8. 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 take. Specifically address comments received on cost and hour burden.

On April 27, 2006 the Department of Energy, Office of Energy Efficiency and Renewable Energy; Energy Conservation Program published a Federal Register Notice (71 FR 24844) for this proposed information collection. The Department did not receive any comments in response to this notice.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no payment or gift to any respondents. They must comply with the requirements of the regulations.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There is no assurance of confidentiality, the data provided becomes part of the public record and is subject to FOIA. Respondents are providing data to the Department to demonstrate that the products they are selling are compliant with the national mandatory regulations.

11. 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.

There are no questions of a sensitive nature in this collection of information.

12. 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.

There are approximately 57 respondents that will be required to respond to this collection of information. There are 96 total burden hours total per company per year. This is based on 56 hours of technician/technical work and 40 hours clerical work. The burden hour total equals 57 respondents multiplied by 2 responses per/respondent ($2 \times 57 = 114$) multiplied by 96 hours hour per response. Total burden equals $57 \times 2 \times 96 = 10,944$ burden hours.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

Capital costs – the Department understands that the efficiency of distribution transformers is one of the core performance attributes that consumers look for when purchasing a distribution transformer. Thus, the Department does not anticipate any manufacturer in business today will need to purchase additional testing equipment to measure or determine the efficiency of their distribution transformers. The Department estimates that the total capital and start-up cost component would be approximately \$1,300 dollars per respondent. This reflects the costs of establishing a data storage area for the retention of records documenting the compliance of their products with the regulations. The total operation and maintenance and purchase of services component costs are assumed to be zero, as once the reporting system is set-up, the measure of efficiency and completion of the forms is routine, and is done already for products sold that are as yet not covered by the regulation (and will be in the future). Therefore, the Department has only an estimate of \$1,300 dollars per respondent for capital costs for setup. Total cost equals \$1,300 multiplied by 57 respondents that totals \$74,100.

14. Provide estimates of annualized costs to the Federal government.

The Department estimates that the annualized costs to the Federal government will be approximately \$10 thousand dollars. This is based on an expectation that reviewing the submitted paperwork from 57 companies demonstrating compliance will consume approximately 10 percent of a staff engineer's time each year (\$47.91 per hour).

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

All new collections are recorded as program changes. This is a new collection, so both Items 13 and 14 record the burden as a program change.

16. For collections of information whose results will be published, outline plans for tabulation and publication.

This data will not be published.

17. 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 Department is not seeking approval to not display the OMB expiration date.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions.