

SUPPORTING STATEMENT FOR COAL SURVEY FORMS  
(EIA-1, 3, 4, 5, 6A, 6Q, 7A, and 20)  
OMB number 1905-0167

Request is made for a mid-cycle supplemental to this information collection of the Energy Information Administration (EIA) Coal Program Package (OMB NO. 1905-0167): Changes proposed in this supplemental request include the following: The EIA-6A form proposes to ask for the inventory adjustment at the start of the report year in addition to the beginning and ending stocks. The EIA-7A form proposes asking for Beginning and ending stocks instead of a net stock change in year-end stocks.

□	EIA-1	"Weekly Coal Monitoring Report - General Industries and Blast Furnaces" (Standby)
□	EIA-3	"Quarterly Coal Consumption and Quality Report – Manufacturing Plants"
□	EIA-4 (Standby)	"Weekly Coal Monitoring Report - Coke Plants"
□	EIA-5	"Quarterly Coal Consumption and Quality Report – Coke Plants"
□	EIA-6A	"Coal Distribution Report - Annual"
□	EIA-6Q	"Quarterly Coal Report" (Standby)
□	EIA-7A	"Coal Production Report"
□	EIA-20 (Standby)	"Weekly Telephone Survey of Coal Burning Utilities"

Changes proposed for the Forms EIA-3, EIA-5, EIA-6A, and EIA-7A are described in the following paragraphs. No changes are proposed for the remaining surveys in the Package (EIA-1, EIA-4, EIA-6Q, and EIA-20). Copies of the forms and instructions are included in Appendix A.

**Form EIA-3 (Quarterly Coal Consumption and Quality Report – Manufacturing Plants)**

Currently, EIA surveys manufacturing plants including coal synfuel plants to collect coal consumption, coal stocks, coal quality, and coal origin on a quarterly basis (Form EIA-3). In the

latest completed reporting year, 2003, coal received by coal synfuel plants reached more than 115 million tons annually, compared to about 60 million tons received annually at other manufacturing facilities. However, coal synfuel plants are not the final consumers of the coal. Coal synfuel is distributed or sold to final consumers such as electric generating plants, other manufacturing plants, coke plants, and exporters.

To understand the final disposition of coal it is necessary to have data on the amount of coal synfuel distributed or sold by coal synfuel plants to each major end-use sector. Accordingly, EIA proposes to add a new schedule to the EIA-3 to collect data from coal synfuel plants on the quantity (short tons) of coal synfuel distributed or sold by type of end-use consumer (e.g., electric generation, manufacturing plant, coke plant, export) and by destination State.

EIA would make the data on coal synfuel final disposition available to the public on EIA's website starting in 2005 quarter 1 as part of the Quarterly Coal Report. Currently, EIA is not collecting these data in any other survey and, therefore, is not providing these data in any EIA publication available to the public. The new data tables would complete the set of information needed to understand the overall disposition of U.S. coal.

EIA uses an Internet Data Collection system to collect data for the EIA-3 form. Currently, all coal synfuel plants submit their data on coal receipts and coal use (but not distribution) to the EIA through the Internet Data Collection system. The additional schedule would be made available only to coal synfuel plants through the Internet Data Collection system and would make it possible for coal synfuel plants to submit the additional proposed data with minimal effort.

EIA would extend and reorganize the instructions that accompany the EIA-3 form to assist coal synfuel respondents. EIA would prepare and provide a Visual Guide to the extended internet data collection form.

EIA proposes to make additional minor revisions to the EIA-3 instructions to list the various modes by which respondents can submit the data form, to include information on Internet Data Collection, Secure File Transfer, mail, E-mail, and facsimile. Transport mode options will be expanded to include two additional categories: (1) transport by ship on the Great Lakes and (2) transport by tramway or conveyor. These choices will clarify transport mode so that more accurate records can be kept by EIA.

### **Form EIA-5 (Quarterly Coal Consumption and Quality Report – Coke Plants)**

EIA proposes to make additional minor revisions to the EIA-5 instructions to list the various modes by which respondents can submit the data form, to include information on Internet Data Collection, Secure File Transfer, mail, E-mail, and facsimile. Transport mode

options will be expanded to include two additional categories: (1) transport by ship on the Great Lakes and (2) transport by tramway or conveyor. These choices will clarify transport mode so that more accurate records can be kept by EIA.

### **Form EIA-6A (Coal Distribution Report - Annual)**

On its EIA-6A data form, EIA collects data on the amount of coal distributed by coal producers and distributors to various aggregate consumer types such as electric generators, manufacturing plants, coal synfuel plants, coke plants, companies in the agriculture, mining, or construction industries, coal mines, the residential/commercial sector, and exports. The EIA-6A instructions request that respondents include coal distributions to coal synfuel plants as part of “Manufacturing.” Currently, the use of coal at coal synfuel plants represents about twice the volume of coal used by other manufacturing plants (115 million tons vs. 60 million tons annually). In feedback to EIA, data users have noted the relatively large amount of coal used by coal synfuel plants. EIA has determined that better understanding of the overall disposition of coal would be improved if coal distributed to coal synfuel plants was not aggregated with coal distributed to other manufacturing plants. Accordingly, EIA proposes to add a new consumer type, Coal Synfuel plants, to the EIA-6A form and request that respondents use that consumer type rather than “Manufacturing” when reporting coal distributed to coal synfuel plants. The form instructions would be modified to include the new consumer type.

The EIA-6A data are published annually on the EIA website in table format. The published distribution tables would be modified to break out coal synfuel plants as a separate aggregate sector. Consequently, data users would be able to understand how much coal is distributed to coal synfuel plants, as distinct from the coal distributed to other manufacturing facilities.

EIA does not have different reporting requirements for respondents distributing coal to coal synfuel plants than those respondents who distribute coal to manufacturing plants.

EIA proposes to make additional minor revisions to the EIA-6A instructions (existing section D) to list the various modes by which respondents can submit the data form, to include information on Internet Data Collection, Secure File Transfer, mail, and facsimile.

### **Form EIA-7A (Coal Production Report)**

EIA publishes data on open market sales (quantity and average sales price) that do not distinguish among various open market consumer classes. However, Section V of the current EIA-7A data form asks respondents to report open market sales to two classes of consumers:

coal mining companies and coal dealers as one class and all other consumers as a second class. Because the data by individual class are not published (only aggregate data are published), EIA proposes to collapse the two classes of open market sales to a single open market sale category.

EIA also proposes to add “unknown” as an option in the instructions for entering datum in Section J. Facility Location. The EIA-7A form proposes asking for Beginning and ending stocks instead of a net stock change in year-end stocks.

## **Justification**

### 1. Legal Authority

The following provisions provide the authority for these mandatory data collections:

(a) Section 13(b), 15 U.S.C., Section 772(b), of the Federal Energy Administration Act of 1974 (FEAA) Public Law 93-275 states:

"All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the [Secretary] such information and periodic reports, records, documents, and other data relating to the purposes of this Act, including full identification of all data and projections as to source, time, and methodology of development, as the [Secretary] may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under the Act."

(b) The functions of the Secretary are set forth in Section 5(b), 15 U.S.C., Section 764(b), of the FEAA, which states that the Secretary shall, to the extent he is authorized by Section 5(a) of the FEAA ... "

(2) assess the adequacy of energy resources to meet demands in the immediate and longer range future for all sectors of the economy and for the general public; ...

(9) collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data; ...

(12) perform such other functions as may be prescribed by law."

(c) As the authority for invoking Section 5(b) above Section 5(a), 15 U.S.C., Section 764(a), of the FEAA in turn states:

"Subject to the provisions and procedures set forth in this Act, the [Secretary] shall be responsible for such actions as are taken to assure that adequate provision is made to

meet the energy needs of the nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions --

(1) specifically transferred to or vested in him by or pursuant to this Act; ...

(3) otherwise specifically vested in the [Secretary] by the Congress."

(d) Authority for invoking Section 5(a) of the FEAA is provided by section 52, 15 U.S.C., Section 790a, of the FEAA, which states that the Administrator of the EIA:

"...[Shall] establish a National Energy Information System...[which] shall contain such information as is required to provide a description of energy supply and consumption...

(b) ...the System shall contain such energy information as is necessary to carry out the Administration's statistical and forecasting activities, ... and such energy information as is required to define and permit analysis of--

(1) the institutional structure of the energy supply system including patterns of ownership and control of mineral fuel... energy resources and the production, distribution, and marketing of mineral fuels and electricity;

(2) the consumption of mineral fuels, nonmineral energy resources, and electricity by such classes, sectors, and regions as may be appropriate for the purposes of this Act; ...

(5) industrial, labor, and regional impacts of changes in patterns of energy supply and consumption."

## 2. Needs for and Uses of the Data

EIA coal data and analyses are used by Congress, Federal agencies, and State and local governments to reach decisions on national and local policies and a variety of important coal-related issues, including energy development and use, environmental protection, domestic welfare, and the health of the coal industry. EIA provides information essential to Presidential and Congressional commissions dealing with Federal coal leasing actions, assessing coal mine safety and health issues, and evaluating the potential for the DOE Clean Coal Technology program. EIA coal data are used for conducting nonutility power producer growth analysis, evaluating electric utility responses to the Clean Air Act Amendments of 1990, determining appropriate changes to surface mining regulations, estimating Black Lung tax revenues, estimating coal export potential, and assessing transportation capabilities and rates.

Principal Federal users include the Departments of Energy, Interior, Labor, Commerce, Agriculture and Transportation, as well as the U.S. Army Corps of Engineers, the Environmental Protection Agency, and the Federal Reserve Board.

Within DOE, coal data are widely used for policy analysis, economic modeling, forecasting, coal supply and demand studies, and in guiding research and development programs.

Numerous Congressional committees, particularly those dealing with energy, the environment, public lands, health and safety, commerce, transportation, water resources, research and development, the Federal budget, and taxes need detailed coal supply and disposition data. Legislative analyses conducted by the Congressional Research Service of the Library of Congress also require reliable and comprehensive coal industry information.

Typical of some of the regional and State agencies that use EIA coal data and statistics for economic and energy supply and demand analyses are: the Geological Survey of Alabama; the Kentucky Department of Mines and Minerals; the New Jersey Energy Department; the New York State Energy Office; the Southern Governors' Association; the Utah Energy Office; the Virginia Department of Mines, Minerals and Energy Administration; the West Virginia Department of Energy; New Mexico Energy, Minerals and Natural Resources Department; Kentucky Governor's Office for Coal and Energy Policy; and Pennsylvania State University.

Trade associations also depend upon EIA coal data for economic, regulatory, and legislative analyses. Included in this group are: the Association of American Railroads, the Edison Electric Institute, the Indiana Coal Association, the Mining and Reclamation Council of America, the National Mining Association, the Mississippi Valley Coal Exporters Council, and the West Virginia Coal Association.

Additional users of EIA data are coal producers and distributors, coal-consuming companies, financial/analytic service firms, publishing organizations, the media (electronic and printed), transportation companies, law firms, and coal labor unions, all of which employ coal data for economic, financial, technical, and market analyses. EIA data also are used in provisions that support commercial contracts and labor agreements.

EIA provides the only comprehensive data on coal production, distribution, and consumption in the United States. EIA coal data are presented in numerous publications including the following reports published by agencies of the U.S. Government:

- o Annual Energy Outlook (EIA)
- o Annual Energy Review (EIA)
- o Annual Coal Report (EIA)
- o Industrial Production Report (monthly, Federal Reserve Board)
- o Monthly Energy Review (EIA)

- o Productivity Measures for Selected Industries  
(annual, Bureau of Labor Statistics, Department of Labor)
- o Quarterly Coal Report (EIA)
- o Short-Term Energy Outlook (monthly, EIA)
- o Statistical Abstract of the United States (annual,  
Bureau of the Census, U.S. Department of Commerce)
- o Weekly Coal Production (EIA).

EIA coal data are an integral part of international statistical reports on energy and are included in:

- o Coal Information, annual report published by the International Energy Agency
- o Energy Statistics of OECD Countries, annual report published by the Organization for Economic Cooperation and Development.

EIA coal data also provide the foundation for the development of the EIA's short- and long-term forecasts of coal supply and demand in domestic and world markets. The results of these forecasts are contained in numerous EIA publications, including:

- o Short-Term Energy Outlook (monthly, EIA)
- o Annual Energy Outlook (EIA).

The EIA models which use these data directly include:

- o National Energy Modeling System (NEMS), Coal Market Module,
- o Short-Term Integrated Forecasting System (STIFS).

Much of EIA's coal data are available on the World Wide Web.

### 3. Use of Improved Technology to Reduce Respondent Burden

EIA has implemented Internet Data Collection systems for Forms EIA-3, EIA-5, and EIA-7A. As a consequence, EIA estimates that respondent burden for Forms EIA-3 and EIA-5 has fallen on average by about 10%. The reduced burden is occurring because electronic submission reduces the time required to fill out the form and to correct edits, and it eliminates the respondent processing steps associated with sending the paper forms back to EIA by mail. Form EIA-7A will bring a reduction in response burden once most sites are enrolled in Internet Data Collection anticipated in 2006. Also, beginning with the 2006 data cycle, EIA will initiate an Internet Data Collection system for Form EIA-6A.

#### 4a. Efforts to Identify Data Duplication

As part of a continuing effort to avoid data duplication, the EIA routinely reviews and evaluates coal industry information available from a variety of sources, including other Federal agencies, industry trade associations, State governments, and commercial information services, to identify instances of duplication. Additionally, in the public notices and consultations associated with the triennial re-clearance of the Coal Program Package, the EIA specifically encourages respondents and data users to identify alternate sources of the coal information the EIA proposes to collect.

Instances of potential data duplication identified by the EIA are evaluated in terms of data coverage, level of aggregation, frequency of collection, data reliability, and statutory requirements to determine whether alternate data sources represent a suitable substitute for EIA data.

#### 4b. Why Similar Existing Information Cannot Be Used

The EIA has identified potential areas of duplication among Federal forms collecting coal production and related data, specifically the Form EIA-7A, "Coal Production Report," the MSHA Form 7000-2, "Quarterly Mine Employment and Coal Production Report," the Form OSM-1, "Production and Reclamation Fee Report," the Minerals Management Service's Form MMS-4293, "Product Valuation and Associated Allowances - Coal" and the Department of Justice's Form ATR-139, "Federal Coal Lease Review."

To make data collection and processing more efficient, EIA works closely with MSHA in a cooperative program aimed at reducing redundant work. MSHA runs a data survey to collect coal production and employment information used by both MSHA and EIA. For its part, EIA applies quality checks to the data before it is released.

For other coal data requirements where similar information exists, the EIA has determined that other data sources cannot replace or approximate the information provided because of differences in classification of data elements, differences of definitions, scope of coverage, number of data elements collected, or differences in the frequency of data collection.

#### 5. Provisions for Reducing Burden on Small Businesses

The EIA recognizes the need to minimize the reporting burden on small businesses and designs data surveys so that small operations are not unduly affected. Additionally, the EIA has established reporting thresholds for surveys likely to affect small businesses. These thresholds either eliminate the reporting requirement for small businesses or limit the amount of information they are asked to supply.



Small coal mine operators producing fewer than 10,000 short tons of coal annually and coal preparation plants recording fewer than 5,000 hours per year are not required to file Form EIA-7A. EIA will continue these small business exceptions.

Reporting on the Form EIA-3, "Quarterly Coal Consumption and Quality Report - Manufacturing Plants," is limited to manufacturers consuming more than 1,000 short tons of coal annually.

Reporting on the Form EIA-6A, "Coal Distribution Report," is generally limited to firms producing or distributing more than 50,000 short tons of coal annually. Firms operating in Arkansas, Maryland, Oklahoma, as well as producers and distributors of Pennsylvania anthracite have a reporting threshold of 10,000 short tons annually because they are predominantly smaller operators and the lower threshold is required to assure adequate data coverage.

#### 6. Results of Collecting Data Less Frequently

In keeping with its mandate, EIA is recognized as the major collector of comprehensive and reliable U.S. energy supply and demand data. The Federal Government, State governments, as well as the private sector of the economy rely on the EIA for energy statistics and consider its publications reliable and timely indicators of current energy conditions and trends. The non-standby coal forms proposed in the Package represent two quarterly surveys (EIA-3 and EIA-5) and two annual surveys (EIA-6A and EIA-7A). Less frequent reporting on any of these four forms would prevent EIA from meeting its mandate of providing timely, essential, and reliable information.

#### 7. Compliance with 5 CFR 1320.5 Controlling Paperwork Burden on the Public

All EIA coal surveys are operated in accordance with the guidelines in 5 CFR 1320.5. In the event of a coal supply disruption, information could be collected weekly on Forms EIA-1, EIA-4, and EIA-20. This weekly frequency is justified by the need to provide rapid response during such a supply disruption to prevent adverse national economic impacts or to alleviate potential human suffering.

#### 8. Summary of Consultations Outside the Agency

On October 6, 2004, the EIA published Federal Register Notice 69 FR 59901-59903 outlining proposed changes to the Coal Program Package and inviting interested parties to comment. No comments were filed.

#### 9. Remuneration

Respondents will not be paid or provided any gifts in return for responding to EIA coal data surveys.

#### 10. Provisions for Confidentiality of Information

All forms receive the confidentiality treatment described below, except as noted later in this section.

The Federal Energy Administration Act requires the Energy Information Administration to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy; to any Committee of Congress, the Government Accountability Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

Disclosure limitation procedures are applied to the statistical data published from EIA-3 survey information to ensure that the risk of disclosure of identifiable information is very small.

All forms receive the same data protections, with the following exceptions:

- o Section I Identification: The name and address of the responding company, and location (State and county where applicable) will be released upon request in the form of full or partial lists of responders for the Forms EIA-1, EIA-3, EIA-4, EIA-5, EIA-6A, EIA-6Q, EIA-7A, and EIA-20. Also released upon request, from form EIA-7A will be the mine or plant type (i.e., underground, surface, preparation plant, or North American Industrial Classification System code).

- o All data on Form EIA-20 dealing with coal stocks (elements b, c, f, and i) will be treated as confidential to match EIA's decisions regarding comparable data collected on Form EIA-906. Because of industry deregulation, an increasing number of power producers are private firms. Certain data, such as fuels stock data, if made available could potentially harm a private firm's competitiveness. In recognition of this potential, EIA will withhold fuel stock data.

#### 11. Justification for Sensitive Questions

There are no questions of a sensitive nature on the coal survey forms.

#### 12. Burden Estimates

- a. Estimates of Hour Burden

The estimated respondent burden for each coal form is shown in Appendix B. The total annual burden is estimated to be 7,957 hours. In the previous authorization package (2002-2004), EIA estimated an annual total respondent burden of 9,246 hours. The reduction by 14% in respondent burden is occurring because there are fewer sites reporting in all surveys and the per site burden went down for Forms EIA-3 (manufacturing plants) and EIA-5.

b. Estimates of Annualized Cost to Respondents

Based on the estimated rate of \$55 per hour for employees who would complete these forms, the total annual respondent cost for all forms is estimated to be:

$$\text{\$55/hour} \times 7,957 \text{ hours/year} = \text{\$437,635}$$

An average cost per hour of \$55 is used because that is the average loaded (salary plus benefits) cost for an EIA employee assigned to data survey work. EIA assumes that the survey respondent workforce completing surveys for EIA is comparable with the EIA workforce.

13. Estimate of Total Annual Cost Burden to Respondents

The EIA estimates that there are no capital, start-up, or operating costs to respondents beyond the cost of the hours described in Item 12.

14. Estimated Annualized Costs to the Federal Government

Federal Government activities and costs associated with the surveys included in the Coal Program Package are included in the Annual Operating Plans for the Office of Coal, Nuclear, Electric and Alternate Fuels of EIA. The estimated annualized cost to the government, including personnel, for forms development, maintenance, data collection, processing, analysis, and publication is \$785,000. Due to EIA's recently implemented Internet Collection Data system for forms EIA-3, EIA-5 and EIA-7A, overall annual costs to the Federal Government have fallen from about \$1,089,100 (estimate during previous authorization cycle) to \$785,000, representing a 28% savings in Federal costs.

The Federal Government coal forms cost estimate for FY 2005 is shown below:

ANNUAL COST TO THE FEDERAL GOVERNMENT, COAL FORMS  
(ESTIMATED)

Maintenance		\$ 190,000
Data Collection & Processing		497,000
Data Analysis	& Publication	98,000
Total		\$ 785,000

15. Changes in Respondent Burden

It is estimated there will be a 14 percent decrease (1,289 hours) in the total respondent burden from 9,246 hours/year to 7,957 hours/year. The decrease in total burden hours is attributable to the implementation of the Internet Data Collection system, which has made the respondent data submission process less burdensome, and to the reduction in the number of reporting sites.

16. Schedule for Collecting and Publishing Data

Plans to tabulate and publish data collected by the coal data collection forms are described below.

a. Weekly Forms

The weekly data reported on Forms EIA-1, EIA-4, and EIA-20 will be collected only during coal supply disruptions and will not be published in an individually identifiable form. The data collected from Forms EIA-1, and EIA-4 will be used in the compilation of public statistical reports for monitoring coal consumption and stocks. Form EIA-20 is designed to gather up-to-date information that will enable DOE to closely monitor electric power coal consumption and stocks and evaluate the potential impact of a coal supply disruption.

A report week is defined as a calendar week beginning 12:01 A.M. on Sunday and ending at midnight on the following Saturday. A telephone call will be made to collect the data on each form beginning each Monday of each report week during the coal supply disruption.

b. Quarterly Forms

The data collected on Form EIA-3 and Form EIA-5 (manufacturing and coke plants, respectively) will be used in the compilation of aggregated statistical reports to provide Congress with basic statistics concerning coal receipts, coal consumption, coal stocks, coal prices at reporting facilities, coal origin, transport mode, and coal quality. Schedule EIA-6Q would, if activated, collect coal production data from U.S. coal producers and distributors. Currently, EIA-6Q type quarterly production data are collected by the Mine Safety and Health Administration (MSHA) and provided to EIA under a cooperative agreement. EIA plans to

continue to obtain quarterly coal production data from MSHA and only would activate form EIA-6Q in the eventuality that MSHA discontinued its coal production survey.

Data from Forms EIA-3 and EIA-5 appear in the EIA publications, Quarterly Coal Report, Monthly Energy Review, Annual Energy Review, and the Annual Coal Report. In addition, EIA uses the data for coal supply analyses and in short-term modeling efforts requested by Congress that forecast coal supply, prices, and environmental quality.

The quarterly forms are due approximately one month after the close of each quarter. The quarters are:

- (1st) January 1- March 31
- (2nd) April 1 - June 30
- (3rd) July 1 - September 30
- (4th) October 1 - December 31

The approximate due dates are May 1, August 1, November 1, and February 1, respectively, following each quarter.

Data compiled from the quarterly surveys (EIA-3 and EIA-5) are available for distribution to the public as web-accessible data about 75 days after the close of the quarter.

#### c. Annual Forms

Form EIA-6A collects coal distribution and stock data annually from U.S. coal producers and distributors. Form EIA-7A collects information on coal production and related information from U.S. coal mining operations. These data appear in the Weekly Coal Production report, Annual Coal Report, Quarterly Coal Report, and Annual Energy Review. These data are also used extensively in the EIA's coal analysis and forecasting models. Respondents are required to submit Forms EIA-6A and EIA-7A no later than March 1st of the year following the reporting period, based on the calendar year.

Data from EIA-6A and EIA-7A surveys, collected annually, are available on the EIA website in the form of preliminary tables starting about 5 months after the end of the year. The Annual Coal Report, developed primarily from EIA-7A data is posted to EIA's public website about mid-July following the end of the reporting year. Tables showing the distribution of coal by origin and by destination developed from EIA-6A surveys also are posted to EIA's public website about mid-July following the end of the reporting year.

#### 17. Expiration Date Exception

The expiration date will be included on the forms.

18. Certification

There are no exceptions to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.