

**SUPPORTING STATEMENT FOR
THE STANDARD ON THE CONTROL OF HAZARDOUS ENERGY
(LOCKOUT/TAGOUT) (29 CFR 1910.147)¹
OFFICE OF MANAGEMENT AND BUDGET (OMB)
CONTROL NO. 1218-0150 (January 2008)**

JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The main objective of the Occupational Safety and Health Act of 1970 (i.e., “the Act”) is to “assure so far as possible every working man and woman in the Nation safe and healthful working conditions and to preserve our human resources” (29 U.S.C. 651). To achieve this objective, the Act authorizes “the development and promulgation of occupational safety and health standards” (29 U.S.C. 651).

Section 6(b)(7) of the Act specifies that “[a]ny standard promulgated under this subsection shall prescribe the use of labels or other appropriate forms of warning as are necessary to insure that employees are apprised of all hazards to which they are exposed, relevant symptoms and appropriate emergency treatment, and proper conditions and precautions of safe use or exposure.” This provision goes on to state that “[t]he Secretary, in consultation with the Secretary of Health and Human Services, may by rule promulgated pursuant to section 553 of title 5, United States Code, make appropriate modifications in the foregoing requirements relating to the use of labels or other forms of warning . . . as may be warranted by experience, information, or medical or technological developments acquired subsequent to the promulgation of the relevant standard” (29 U.S.C. 655).

With regard to recordkeeping, the Act specifies that “[e]ach employer shall make, keep and preserve, and make available to the Secretary . . . such records . . . as the Secretary . . . may prescribe by regulation as necessary or appropriate for the enforcement of this Act . . .” (29 U.S.C. 657). The Act states further that “[t]he Secretary . . . shall prescribe such rules and regulations as [he/she] may deem necessary to carry out [his/her] responsibilities under this Act, including rules and regulations dealing with the inspection of an employer’s establishment” (29 U.S.C. 657).

Under the authority granted by the Act, the Occupational Safety and Health Administration (i.e., “OSHA” or “the Agency”) published at 29 CFR 1910.147 a safety standard for general industry titled “Control of Hazardous Energy (Lockout/Tagout)” (i.e., “the Standard”). The Standard regulates control of hazardous-energy sources using lockout or tagout procedures while employees service, maintain, or repair machines or equipment when activation, start up, or

¹The purpose of this Supporting Statement is to analyze and describe burden hours and cost associated with provisions of this standard that contain paperwork requirements; this Supporting Statement does not provide information or guidance on how to comply with, or how to enforce, these provisions.

release of energy from an energy source is possible. Items 2 and 12 below describe in detail the specific information collection requirements of the Standard.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The Standard specifies several paperwork requirements. The following sections describe who uses the information collected under each requirement, as well as how they use it. The purpose of these requirements is to control the release of hazardous-energy sources while employees service, maintain, or repair machines or equipment when activation, start up, or release of energy from an energy source is possible; proper control of hazardous-energy sources prevent death or serious injury among these employees.

Energy-Control Procedure (paragraph (c)(4)(i)). With limited exception, employers must document the procedures used to isolate from its energy source and render inoperative, any machine or equipment prior to servicing, maintenance, or repair by employees. These procedures are necessary when activation, start up, or release of stored energy from the energy source is possible, and such release could cause injury to the employees.

Paragraph (c)(4)(ii) states that the required documentation must clearly and specifically outline the scope, purpose, authorization, rules, and techniques employees are to use to control hazardous energy, and the means to enforce compliance. The document must include at least the following elements:

- A) A specific statement regarding the use of the procedure;
- B) Detailed procedural steps for shutting down, isolating, blocking, and securing machines or equipment to control hazardous energy, and for placing, removing, and transferring lockout or tagout devices, including the responsibility for doing so; and,
- C) Requirements for testing a machine or equipment to determine and verify the effectiveness of lockout or tagout devices, as well as other energy-control measures.

The employer uses the information in this document as the basis for informing and training employees about the purpose and function of the energy-control procedures, and the safe application, use, and removal of energy controls. In addition, this information enables employers to effectively identify operations and processes in the workplace that require energy-control procedures.

Periodic Inspection (paragraph (c)(6)(ii)). Under paragraph (c)(6)(i), employers are to conduct inspections of energy-control procedures at least annually. An authorized employee other than an authorized employee using the energy-control procedure that is the subject of the inspection is to conduct the inspection and correct any deviations or inadequacies identified. For procedures involving either lockout or tagout, the inspection must include a review, between the inspector and each authorized employee, of that employee's responsibilities under the procedure; for procedures using tagout systems, the review also involves affected employees, and includes an assessment of the employees' knowledge of the training elements required for these systems.

Paragraph (c)(6)(ii) requires employers to certify the inspection by documenting the date of the inspection, and identifying the machine or equipment inspected and the employee who performed the inspection.

Training and Communication (paragraph (c)(7)(iv)). Paragraph (c)(7)(i) specifies that employers must establish a training program that enables employees to understand the purpose and function of the energy-control procedures, and provides them with the knowledge and skills necessary for the safe application, use, and removal of energy controls. According to paragraph (c)(7)(i), employers are to ensure that: Authorized employees recognize the applicable hazardous-energy sources, the type and magnitude of the energy available in the workplace, and the methods and means necessary for energy isolation and control; affected employees obtain instruction in the purpose and use of the energy-control procedure; and other employees who work, or may work, near operations using the energy-control procedure receive training about the procedure, as well as the prohibition regarding attempts to restart or reactivate machines or equipment having locks or tags to control energy release.

Under paragraph (c)(7)(ii), when the employer uses a tagout system, the training program must inform employees that: Tags are warning labels affixed to energy-isolating devices, and therefore do not provide the physical restraint on those devices that locks do; they are not to remove tags attached to an energy-isolating devices unless permitted to do so by the authorized employee responsible for the tag, and they are never to bypass, ignore, or in any manner defeat the tagout system; tags must be legible and understandable by authorized and affected employees, as well as other employees who work, or may work, near operations using the energy-control procedure; the materials used for tags, including the means of attaching them, must withstand the environmental conditions encountered in the workplace; tags evoke a false sense of security, and employees must understand that tags are only part of the overall energy-control program; and they must attach tags securely to energy-isolating devices to prevent removal of the tags during use.

Paragraph (c)(7)(iii) states that employers must retrain authorized and affected employees when a change occurs in: Their job assignments, the machines, equipment, or processes such that a new hazard is present; and the energy-control procedures. Employers also must provide retraining when they have reason to believe, or periodic inspection required under paragraph (c)(6) indicates, that deviations and inadequacies exist in an employee's knowledge or use of energy-control procedures. The retraining must reestablish employee proficiency and, if necessary, introduce new or revised energy-control procedures.

Under paragraph (c)(7)(iv), employers are to certify that employees completed the required training, and that this training is up-to-date. The certification is to contain each employee's name and the training date.

Training employees to recognize hazardous-energy sources and to understand the purpose and function of the energy-control procedures, and providing them with the knowledge and skills necessary to implement safe application, use, and removal of energy controls, enables them to prevent serious accidents by using appropriate control procedures in a safe manner to isolate

these hazards. In addition, written certification of the training assures the employer that employees receive the training specified by the Standard.

Disclosure of Inspection and Training Certification Records (paragraphs (c)(6)(ii) and (c)(7)(iv)). The inspection records provide employers with assurance that employees can safely and effectively service, maintain, and repair machines and equipment covered by the Standard. These records also provide the most efficient means for an OSHA compliance officer to determine that an employer is complying with the Standard, and that the machines and equipment are safe for servicing, maintenance, and repair. The training records provide the most efficient means for an OSHA compliance officer to determine whether an employer has performed the required training.

Notification of Employees (paragraph (c)(9)). This provision requires the employer to notify affected employees prior to applying, and after removing, a lockout or tagout device from a machine or equipment. Such notification informs employees of the impending interruption of the normal production operation, and serves as a reminder of the restrictions imposed on them by the energy-control program. In addition, this requirement ensures that employees do not attempt to reactivate a machine or piece of equipment after an authorized employee isolates its energy source and renders it inoperative. Notifying employees after removing an energy-control device alerts them that the machines and equipment are no longer safe for servicing, maintenance, and repair.²

Offsite Personnel (Contractors, etc.) (paragraph (f)(2)(i)). When the onsite employer uses an offsite employer (e.g., a contractor) to perform the activities covered by the scope and application of the Standard, the two employers must inform each other regarding their respective lockout or tagout procedures. This provision ensures that each employer knows about the unique energy-control procedures used by the other employer; this knowledge prevents any misunderstanding regarding the implementation of lockout or tagout procedures, and the use of lockout or tagout devices for a particular application.

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, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Employers may use automated, electronic, mechanical, or other technological information-collection techniques, or other forms of information technology (e.g., electronic submission of responses), when establishing and maintaining the required records. The Agency wrote the paperwork requirements of the Standard in performance-oriented language (i.e., in terms of what data to collect, not how to record the data).

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purpose(s) described in 2 above.

²Paragraph (e)(2) requires similar notification; because of this similarity, the Agency is taking no burden hours or cost for this provision.

The requirements to collect and maintain information are specific to each employer and employee involved, and no other source or agency duplicates these requirements or can make the required information available to OSHA (i.e., the required information is available only from employers).

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe the methods used to reduce the burden.

The information collection requirements specified by the Standard do not have a significant impact on a substantial number of small entities. The Agency has published *OSHA Instruction, Directive Number CPL 02-00-147, The Control of Hazardous Energy – Enforcement Policy and Inspections Procedures, February 11, 2008*. Although this directive establishes OSHA's enforcement policy for the standards addressing the control of hazardous energy, the Agency has made the directive available to the public to assist them in complying and understanding the requirements of the LO/TO Standard.

6. Describe the consequence to Federal program or policy activities if the collection is or is not conducted less frequently, and any technical or legal obstacles to reducing the burden.

The Agency believes that the information collection frequencies required by the Standard are the minimum frequencies necessary to effectively regulate hazardous-energy sources, and thereby fulfill its mandate "to assure so far as possible every working man and woman in the Nation safe and healthful working conditions and to preserve our human resources" as specified by the Act at 29 U.S.C. 651. Accordingly, when employers do not perform the required information collections, or delay in providing this information, employees may not use energy-control procedures effectively and safely, thereby increasing their probability of death and serious injury caused by uncontrolled release of hazardous energy.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- Requiring respondents to report information to the agency more often than quarterly;
- Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Requiring respondents to submit more than an original and two copies of any document;
- Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- In connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- Requiring the use of statistical data classification that has not been reviewed and approved by OMB;
- That includes a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or

- **Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can prove that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

No special circumstances exist that require employers to collect information using the procedures specified by this item. The requirements are within the guidelines set forth in 5 CFR 1320.5.

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 before submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to those comments specifically address comments received on cost and hour burdens.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, revealed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that mitigate against consultation in a specific situation. These circumstances should be explained.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3506(c)(2)(A)), OSHA published a notice in the *Federal Register* on October 30, 2007 (72 FR 61378, Docket No. OSHA-2007-0075) requesting public comment on its proposed extension of the information collection requirements contained in the Standard on the Control of Hazardous Energy (Lockout/Tagout) at 29 CFR 1910.147 ("LO/TO Standard" or "Standard"). This notice was part of a preclearance consultation program intended to provide those interested parties the opportunity to comment on OSHA's request for an extension by the Office of Management and Budget (OMB) of a previous approval of the information collection requirements found in the above Standard. The Agency received no comments in response to its notice to comment on this request.

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

The Agency will not provide payments or gifts to the respondents.

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

The paperwork requirements specified by the Standard do not involve confidential information.

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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

None of the provisions in the Standard require sensitive 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. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage-rate categories.**

Burden-Hour and Cost Determinations

For this Information Collection Request (ICR), OSHA used an industry-classification scheme from the Regulatory Impact Analysis (RIA) performed on the final Standard.³ This scheme classifies industries covered by the Standard into the following three groups: high-impact, low-impact, and zero- or negligible-impact. The high-impact group consists of all manufacturing industries (i.e., North American Industrial Classification System (NAICS) Codes 31-33 and others corresponding to 1987 SIC Codes 20-39), while the low-impact group includes industries in the following sectors: transportation⁴, communications⁵, utilities (i.e., electrical-generation establishments, but not power-distribution establishments)⁶, wholesale-trade⁷, retail-food⁸, and several industries in the service sector (i.e., personal services, business services, automotive repair, miscellaneous repair, and amusement services).⁹ Included in the zero- or negligible-

³*Regulatory Impact and Regulatory Flexibility Analysis of 29 CFR 1910.147 (The Control of Hazardous Energy Sources—Lockout/Tagout)*, U.S. Department of Labor, OSHA, Office of Regulatory Analysis, August, 1989. The source of these data was a contract report titled, *Industry Profile Study of a Standard for Control of Hazardous Energy Sources Including Lockout/Tagout Procedures*, Eastern Research Group, May 1985.

⁴This sector is comprised of industries in the following NAICS codes: 481, 484, 485, 4861, 4869, 4871, 4879, 488, 492, 532411, 561510, 561520, 5621, 621910, and 713930.

⁵This sector is comprised of industries in NAICS code 517. Due to incongruence between SIC and NAICS codes, some industries in NAICS 485310 are included in both the transportation and communications sectors; these industries have been accounted for in the transportation sector and are excluded here to avoid double-counting of data.

⁶This sector is comprised of industries in the following NAICS codes: 221210, 221310, 221320, 221330, 486210, 562211, 562212, 562213, 562219, and 562920. Additionally, this sector excludes industries in NAICS codes 488119, 488490, 561710, 561790, 562910, and 562998; in translating between SIC and NAICS codes, small portions of these industries were included in the utilities sector. As only small portions of these industries are included, they are difficult to quantify and are excluded from this analysis.

⁷This sector is comprised of industries in the following NAICS codes: 423, 424, and 425.

⁸This sector is comprised of industries in the following NAICS codes: 311811, 4451, 4452, 446191, 447110, and 452910.

⁹This sector is comprised of industries in the following NAICS codes: 326212, 334611, 511199, 512110,

impact group are industries found to have little potential for an accident involving hazardous-energy release. These industries include retail trade, finance, insurance, real estate, service, and public-administration industries not classified as high- or low-impact groups.

In deriving establishment and employment figures for the three impact groups, the Agency updated the total number of establishments from the previous ICR using data from the 2005 County Business Patterns.¹⁰ The Agency applied percentages obtained from the RIA to these updated figures to estimate the number of high- and low-impact establishments having authorized employees, as well as the number of authorized and affected employees at these establishments (see Tables 1 and 2).

Regarding the time estimates for performing the wide variety of information collections required by the Standard, OSHA is using the estimates from the previous ICR. These estimates appear to be reasonable because the Agency based them on data from the RIA which was available for public review and comment when it was published in the final Standard. In addition, most of the establishments engaged in performing these information collections have many years of experiences in doing so; therefore, these times probably are upper-bound estimates.

In determining the wage rates for the various occupations that perform the paperwork requirements, OSHA used the most recent data from *Employer Costs for Employee Compensation*, Bureau of Labor Statistics (BLS), U.S. Department of Labor (DOL), March 2007. The specific wage rate for each occupation, which includes a fringe-benefit rate of 30.0 percent, is provided as follows:

- Supervisory manufacturing worker (supervisor)¹¹: \$30.37
- Non-supervisory manufacturing worker¹²: \$24.02
- Secretary¹³: \$21.84

The following sections summarize the methodology used to estimate the number of burden hours and the costs resulting from the information collection requirements of the Standard.

(A) Energy-Control Procedure (paragraph (c)(4)(i))

OSHA estimates that 28,750 high-impact establishments develop new procedures annually. The

512240, 512290, 518111, 518210, 519110, 5321, 532220, 53229, 5323, 5324, 541213, 541340, 541350, 5414, 5415, 5418, 541921, 541922, 541930, 541990, 5613, 5614, 56159, 5616, 561710, 561720, 561740, 561790, 5619, 562991, 611511, 611620, 711, 713, 81111, 81112, 811198, 8112, 8113, 8114, 8121, 812210, 8123, 81292, 812990.

¹⁰2005 County Business Patterns, U.S. Census Bureau, 2007.

¹¹This average wage rate was derived from all manufacturing managers in private industry.

¹²This average wage rate was derived from the following employment designation: Goods producing, production, transportation, and material moving.

¹³This average wage rate was derived from the following employment designation: Office and administrative support occupations.

time to perform this activity ranges from 2 to 80 hours. In addition, 43,629 low-impact establishments will perform new procedures. The time for low-impact establishments to develop procedures is estimated at 2 hours. (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

Agency also estimates that, in a yearly basis, a supervisor takes from 30 minutes (.50 hour) to 20 hours to update procedures in the 287,497 high-impact establishments and 30 minutes to update procedures in the 436,288 low-impact establishments affected. (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

Burden Hours: 28,750 high-impact establishments (new procedures) x range of 2 to 80 hours = **214,847 hours** (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

43,629 low-impact establishments (new procedures) x 2 hours = **87,258 hours** (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

287,497 high-impact establishments (updating) x range of 0.5 to 20 hours = **624,267 hours** (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

436,288 low-impact establishments x 0.5 hour = **218,144 hours** (See Table 3 for specific number of establishments in each size category for both high- and low-impact establishments; the burden hour for each size establishment; and details as to how OSHA arrived at the number of establishments.)

Total Burden Hours for (A): 214,847 + 87,258 + 624,267 + 218,144 =
1,144,516

Cost: 1,144,516 burden hours x \$30.37 = **\$32,275,351**

(B) Periodic Inspection (Paragraph (c)(6)(ii))

OSHA assumes that a supervisor takes 20 minutes (.33 hour) to inspect an establishment's energy-control procedure once a year, and to prepare and maintain the inspection certificate. Therefore, the estimated total yearly burden hours and cost resulting from this paperwork

requirement are:

Burden Hours: $(333,460 \text{ high-impact establishments} + 436,288 \text{ low-impact establishments}) \times .33 \text{ hour} = \mathbf{254,017 \text{ hours}}$
Cost: $254,017 \text{ burden hours} \times \$30.37 = \mathbf{\$7,714,496}$

(C) Training and Communication (Paragraph (c)(7))

The Agency estimates that 6.72 million employees covered by the Standard require training each year (i.e., the total number of authorized and affected employees in high- and low-impact establishments listed in Tables 1 and 2). However, OSHA is not accounting for the burden hours and cost of developing and administering the required training because these requirements are performance-based. Nevertheless, this provision specifies that employers must prepare, maintain and disclose training records. The Agency assumes that, each year, employers have to prepare and maintain training records for 23 percent (i.e., 1,545,600) of these employees (i.e., new employees and employees who require training), as well as maintain training records for the remaining 5,174,400 employees. In this regard, OSHA believes that a secretary spends 3 minutes (.05 hour) preparing and maintaining the record for the 23 percent of employees who are new or require retraining; and, another 1 minute (.02 hour) maintaining the already prepared record for the remaining employees (77 percent). Accordingly, the annual burden hour and cost estimates for the paperwork requirements associated with this training requirement are:

Burden Hours: $(1,545,600 \text{ new/retrained employees} \times .05 \text{ hour}) + (5,174,400 \text{ remaining employees} \times .02 \text{ hour}) = \mathbf{180,768 \text{ hours}}$
Cost: $180,768 \text{ burden hours} \times \$21.84 = \mathbf{\$3,947,973}$

(D) Notification of Employees (Paragraph (c)(9))

OSHA has determined that the average number of lockout or tagout events that occur annually vary by the size of the establishment and whether the establishment is in a high-impact or low-impact industry. OSHA estimates that there are approximately 106,059 authorized employees¹⁴ in very small, high-impact establishments who would have to notify affected employees of the application and removal of lockout/tagout devices (since this practice was not customary and normal in these facilities prior to the promulgation of the standard) (see Table 1). OSHA estimates that, on average, there are 75 maintenance or servicing operations conducted annually in each very small, high-impact establishment. For other high-impact establishments, it is estimated that there are approximately 347,280 authorized employees in establishments who would have to notify affected employees of the application and removal of lockout/tagout devices (see Table 1). It is estimated that, on average, there will be 150 such maintenance or services operations conducted annually in each of these establishments. Additionally, there are 684,388 authorized employees in low-impact establishments who would have to notify affected employees of the application and removal of lockout/tagout devices (see Table 2). These

¹⁴To calculate burden hours and cost, OSHA assumes that every authorized employee will notify the affected employees. The Standard requires only that one of the authorized employees (or an employer representative) notify the affected employees. Thus, OSHA likely overestimates the burden hours and cost associated with this requirement.

employees are estimated to perform, on average, 12 maintenance or servicing operations annually for each low-impact establishment.

OSHA estimates that a total of 68,259,081 lockout or tagout events occur annually where notification (not customarily performed) is needed. OSHA assumes that an authorized employee is a non-supervisory manufacturing worker who requires 15 seconds (.004 hour) to provide the required notification (i.e., 10 seconds for applying a lockout/tagout device, and five seconds for removing the device). Accordingly, the total annual burden hour and cost estimates for this notification are:

High-impact, very small establishments:

106,059 authorized employees x 75 operations/year = 7,954,425 events/year

High-impact, other than very small establishments:

347,280 authorized employees x 150 operations/year = 52,092,000 events/year

Low-impact establishments:

684,388 authorized employees x 12 operations/year = 8,212,656 events/year

Burden Hours: 68,259,081 notifications x .004 hour = **273,036 hours**

Cost: 273,036 burden hours x \$24.02 = **\$6,558,325**

(E) Outside Personnel (Contractors, etc.) (Paragraph (f)(2)(i))

Paragraph (f)(2)(i) requires onsite and outside (contractor) employers to notify each other of their respective LO/TO procedures. Notification of respective LO/TO procedures takes 5 minutes (.08 hour) for the onsite and outside contractor to meet and discuss respective LO/TO procedures. As both the onsite employer and outside contractor attend the five-minute meeting, the Agency assumes a total of 10 minutes (.17 hour) for this requirement.

A supervisor/manager, at a wage rate of \$30.37 per hour will perform the notifications. Further, OSHA believes that contractors are involved in 10 percent of all lockout/tagout events. As determined above, there are 68,259,081 lockout/tagout events annually that require employees to be notified (68,259,081 x 10% = 6,825,908 notifications)

Burden Hours: 6,825,081 LO/TO notifications x .17 hour = **1,160,404 hours**

Cost: 1,160,404 hours x \$30.37 = **\$35,241,470**

(F) Disclosure of Inspection and Training Certification Records (Paragraphs (c)(6)(ii) and (c)(7))

OSHA believes that approximately 10,776 establishments covered by the Standard¹⁵ will be subject to an OSHA inspection and required to disclose inspection and training certification

¹⁵ OSHA estimated the number of inspections by multiplying OSHA's inspection rate (1.4%) by the number of establishments covered by this ICR (i.e., 769,748 establishments x 1.4% = 10,776 inspections).

records annually. OSHA estimates that it will take a supervisor 5 minutes (.08 hour) to gather and disclose the requested information.

Burden Hours: 10,776 inspections x .08 hour = **862 hours**

Cost: 862 burden hours x \$30.37 = **\$26,179**

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

- The cost estimate should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondent (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

The cost determinations made under Item 12 account for the total annual cost burden to respondents or recordkeepers resulting from these collection of information requirements.

14. Provide estimates of the annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.

OSHA estimates that a compliance officer (GS-12, step 5), with an hourly wage rate of \$37.89, spends about 30 minutes (.50 hour) during an inspection reviewing the documents required by the Standard. The Agency determines that its compliance officers will inspect about 10,776 employers (see footnote 15) who have lockout/tagout programs regulated by the Standard during each year covered by this ICR. OSHA considers other expenses, such as equipment, overhead, and support staff salaries, to be normal operating expenses that would occur without the paperwork requirements specified by the Standard. Therefore, the total cost of these paperwork requirements to the Federal government is:

Cost: 10,776 inspections x .50 hour x \$37.89 = **\$204,151**

15. Explain the reasons for any program changes or adjustments reported in Items 12 and 13 of the Justification?

OSHA is requesting a net decrease of 407,924 burden hours (from 3,421,527 to 3,013,603). This decrease is a result of updated data showing a decrease in the number of establishments from 818,532 to 769,748 and a decrease in the number of employees from 7.72 million to 6.72 million.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection information, completion of report, publication dates, and other actions.

OSHA will not publish the information collected under the Standard.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be appropriate.

No forms are available for the Agency to display the expiration date.

18. Explain each exception to the certification statement identified in Item 19 per “Certification for Paperwork Reduction Act Submission,” of OMB form 83-I.

OSHA is not seeking an exception to the certification statement specified by Item 19 of OMB 83-I

Table 1: Establishments and Employment in Manufacturing High-Impact Industries

					Number of Authorized Employees			Number of Additional Employees Covered		
Size Category	Employment Size	Total Number of Establishments	Number of Establishments Employing Authorized Workers	Total Number of Employees	Total	In Establishments with Compliant Lockout/Tagout Programs When Standard Published	In Establishments without Lockout/Tagout Programs When Standard Published	Total	In Establishments with Compliant Lockout/Tagout Programs When Standard Published	In Establishments without Lockout/Tagout Programs When Standard Published
Very Small	<20	228,682	228,682	1,325,743	132,574	26,515	106,059	132,574	26,515	106,059
Small	20-99	75,570	75,570	3,319,437	331,944	149,375	182,569	663,887	298,749	365,138
Medium	100-249	19,361	19,361	2,979,578	297,958	193,673	104,285	595,916	387,345	208,570
Large	> 249	9,847	9,847	6,042,579	604,258	543,832	60,426	1,208,516	1,087,664	120,852
Total		333,460	333,460	13,667,337	1,366,734	913,395	453,339	2,600,893	1,800,273	800,619

Source: 2005 County Business Patterns Survey. U.S. Census Bureau, 2007.

Table 2: Establishments and Employment in Low-Impact Industries

				Number of Authorized Employees			Number of Additional Employees Covered		
Industry	Total Number of Establishments	Number of Establishments Employing Authorized Workers	Total Number of Employees	Total	In Establishments with Compliant Lockout / Tagout Programs When Standard Published	In Establishments without Lockout / Tagout Programs When Standard Published	Total	In Establishments with Compliant Lockout / Tagout Programs When Standard Published	In Establishments without Lockout / Tagout Programs When Standard Published
Transportation	229,859	229,859	3,981,292	175,177	92,844	82,333	175,177	92,844	82,333
Communications	49,431	49,431	1,226,536	282,103	141,052	141,052	282,103	141,052	141,052
Utilities	12,798	12,798	212,957	27,684	13,842	13,842	27,684	13,842	13,842
Wholesale Trade	429,823	37,395	5,968,929	202,944	99,442	103,501	202,944	99,442	103,501
Food Stores	235,071	15,750	4,552,313	29,135	14,859	14,276	29,135	14,859	14,276
Services	1,058,790	91,056	14,972,006	658,768	329,384	329,384	658,768	329,384	329,384
Total	2,015,772	436,289	30,914,033	1,375,811	691,423	684,388	1,375,811	691,423	684,388

Source: 2005 County Business Patterns Survey. U.S. Census Bureau, 2005.

Table 3: Written Procedures Assuming Half of the Original "Percent of Establishments in Compliance When the Rule is Published"

Establishment Calculations -- High Impact Establishments									
Establishment Size	Number of Establishments	Percent of Establishments in Compliance when Rule Published	Existing Establishments Originally Lacking LOTO Program	Existing Establishments with Written LOTO Procedures when Rule Published	Percent of Establishments with Procedures but without Unwritten Plans	Existing Establishments with Unwritten Plans when Rule Published	Total Existing Establishments Requiring Revision	Annual Firm Turnover	New Establishments Requiring Revision
Very Small	228,682	10%	205,814	22,868	10%	2,287	208,101	10%	20,810
Small	75,570	23%	58,189	17,381	10%	1,738	59,927	10%	5,993
Medium	19,361	33%	12,972	6,389	10%	639	13,611	10%	1,361
Large	9,847	45%	5,416	4,431	10%	443	5,859	10%	586
Total	333,460		282,391	51,069		5,107	287,498		28,750

Calculation of Hours for New Establishments (No Existing Program) -- High-Impact Establishments			
Establishment Size	Number of Establishments	First Year Hours	Total Hours First Year
Very Small	20,810	2	41,620
Small	5,993	12	71,916
Medium	1,361	40	54,440
Large	586	80	46,880
Total	28,750		214,856

Calculation of Hours for Recurring Burden in Existing Establishments -- High-Impact Establishments				
Establishment Size	Number of Establishments	Hours	Existing Establishment Hours	Total Hours High Impact
Very Small	208,101	0.5	104,051	145,670
Small	59,927	4	239,708	311,620
Medium	13,611	12	163,332	217,773
Large	5,859	20	117,180	164,051
Total	287,498		624,271	839,114

Calculation of Hours for New Establishments (No Existing Program) -- Low-Impact Establishments			
	Number of Establishments	First Year Hours	Total Hours First Year
Transportation	22,986	2	45,972
Communications	4,943	2	9,886
Utilities	1,280	2	2,560
Wholesale Trade	3,739	2	7,478
Food Stores	1,575	2	3,150
Services	9,106	2	18,212
Total	43,629		87,258

Calculation of Hours for Recurring Burden in Existing Establishments -- Low-Impact Establishments				
	Number of Establishments	Hours	Existing Establishment Hours	Total Hours Low Impact
Transportation	229,859	0.5	114,930	160,901
Communications	49,431	0.5	24,716	34,602
Utilities	12,798	0.5	6,399	8,959
Wholesale Trade	37,395	0.5	18,698	26,176
Food Stores	15,750	0.5	7,875	11,025
Services	91,056	0.5	45,528	63,739
Total	436,289		218,146	305,402

Grand Totals	
	Total Hours
High-Impact Establishments	839,114
Low-Impact Establishments	305,402
Grand Total Hours:	1,144,516

Table 4: Requested Burden-Hour Adjustments

Information Collection Requirement		Current Burden Hours	Requested Burden Hours	Adjustment to Hours	Cost Under Item 12	Responses	Explanation of Adjustment
(A) Energy-Control Procedure (paragraph (c)(4)(i))							
	High-impact establishments developing new procedures	259,006	214,847	-44,159	\$6,524,903	28,750	The estimated number of high-impact establishments developing new procedures decreased from 32,917 to 28,750 based on new data derived from the 2005 County Business Patterns.
	Low-impact establishments developing new procedures	87,243	87,258	15	\$2,650.026	43,629	The estimated number of low-impact establishments developing new procedures increased slightly from 43,621 to 43,629 based on new data derived from the 2005 County Business Patterns.
	High-impact establishments updating procedures	750,870	624,267	-126,603	\$18,958,989	287,497	The estimated number of high-impact establishments updating existing procedures decreased from 329,168 to 287,497 based on new data derived from the 2005 County Business Patterns.
	Low-impact establishments updating procedures	218,107	218,144	37	\$6,625,033	436,288	The estimated number of low-impact establishments updating existing procedures increased slightly from 436,213 to 436,288 based on new data derived from the 2005 County Business Patterns.

Information Collection Requirement	Current Burden Hours	Requested Burden Hours	Adjustment to Hours	Cost Under Item 12	Responses	Explanation of Adjustment
(B) Periodic Inspection (paragraph (c)(6)(ii))	270,116	254,017	-16,099	\$7,714,496	769,748	The estimated number of high-impact establishments being inspected annually decreased from 382,319 to 333,460 while the number of low-impact establishments being inspected annually rose slightly from 436,213 to 436,288 based on new data derived from the 2005 County Business Patterns.
(C) Training and Communication (paragraph (c)(7))	207,668	180,768	-26,900	\$3,947,973	6,720,000	Based on new data, the number of employees covered by the Standard who require training annually decreased from 7.72 million to 6.72 million.
(D) Notification of Employees (paragraph (c)(9))	310,019	273,036	-36,983	\$6,558,325	68,259,081	There was a decrease in the number of employee notification from 77,504,778 to 68,259,081.
(E) Offsite Personnel (Contractors, etc.) (paragraph (f)(2)(i))	1,317,581	1,160,404	-157,177	\$35,241,470	6,825,081	Lockout/Tagout notifications decreased from 7,750,478 to 6,825,081.
(F) Disclosure of Inspection and Training Certification Records (under paragraphs (c)(6)(ii) and (c)(7))	917	862	-55	\$26,179	10,776	Because the number of establishments decreased from 818,532 to 769,748, there is a decreased in the number of estimated inspections and disclosures by employers.
TOTALS	3,421,527	3,013,603	-407,924	88,247,393	83,380,850	