

**Supporting Statement for Paperwork Reduction Act Submissions**  
**Lease of Submerged Lands for Alternative Energy Activities on the Outer Continental Shelf (OCS)**  
**Form MMS-M0001**  
**OMB Control Number 1010-NEW**  
**Current Expiration Date: NEW**

**Terms of Clearance: None**

**General Instructions**

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When statistical data is employed, Section B of the Supporting Statement must be completed. The Office of Management and Budget (OMB) reserves the right to require the submission of additional information with respect to any request for approval.

**Specific Instructions**

**A. 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.***

Section 388 of the Energy Policy Act of 2005 amended the OCS Lands Act to add a new paragraph (p) to section 8 of the Act (43 U.S.C. 1337(p)) to allow the Department of the Interior, acting through the Minerals Management Service (MMS), to grant a lease, easement, or right-of-way on the OCS for activities that produce or support the production of energy from sources other than oil and gas. The MMS has established an Alternative Energy & Alternate Use Program to authorize and regulate OCS activities pursuant to this new authority. The MMS is in the process of developing formal proposed regulations that, once finalized, will set the framework for authorizing and managing OCS alternative energy activities. On November 6, 2007, MMS announced an interim policy for potentially authorizing activities under this statutory authority that are limited to alternative energy resource data collection and technology testing. The interim policy would not authorize commercial leasing, such as the full build-out of commercial wind farms.

This lease form pertains to the MMS interim policy, and its requisite information collection is needed for MMS to authorize and convey rights under limited-term leases to conduct data collection and/or technology testing activities on specific areas of the OCS.

***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. [Be specific. If this collection is a form or a questionnaire, every question needs to be justified.]***

This lease form and accompanying information will be used by MMS and the alternative energy project lessees as a contract instrument to bind both parties as to their rights and responsibilities under the lease.

**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 [and specifically how this collection meets GPEA requirements].**

The lease form itself cannot be submitted electronically, but the additional information can. Section 20 of the interim policy lease, subject to this information collection, provides that information may be submitted electronically, by hand, by facsimile, or by United States first class mail.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The MMS has taken all efforts to identify areas of potential duplication for this information collection, and MMS believes that this information collection does not request duplicative material. Alternative energy activities on the OCS are new and pose unique concerns to MMS. There is little to no existing information within MMS that would reduce the burden of this information collection. Additionally, each lease under this interim policy is a separate contractual instrument unto itself, and materials submitted by each individual lessee will be unique to that particular project and OCS area.

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

This collection of information does have a significant economic effect on a substantial number of small entities. Approximately 75 percent of the entities who have shown interest in the activities associated with this program would be considered small businesses as defined by the Small Business Administration. According to the Small Business Administration (SBA), the size standard for NAICS Code 221119, a firm is small if, including its affiliates, it is primarily engaged in the generation, transmission, and distribution of electric energy for sale and its total electric output for the preceding fiscal year did not exceed 4 million megawatt hours. The hour burden on any small entity subject to this program cannot be reduced to accommodate them without sacrificing safe operations and protection of the environment.

**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 we did not collect the information, there would be no appropriate mechanism to convey rights to conduct data collection and technology testing, contractually bind both parties, and assure that the activities are carried out in a safe and environmentally sound manner as required under subsection 8(p) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(p)).

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

**(a) requiring respondents to report information to the agency more often than quarterly.**

Not applicable for this collection.

***(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.***

Not applicable for this collection.

***(c) requiring respondents to submit more than an original and two copies of any document.***

Not applicable for this collection.

***(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.***

Section 10 of the proposed interim policy lease subject to this information collection provides that the lessee shall retain copies of all quarterly progress reports for the duration of the lease term and three years thereafter. The MMS believes such a retention policy is justified to aid MMS in conducting periodic inspections and otherwise assuring compliance with the terms of the lease instrument, including ultimate decommissioning responsibilities after the term of the lease has expired.

***(e) 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.***

Not applicable for this collection.

***(f) requiring the use of statistical data classification that has been reviewed and approved by OMB.***

Not applicable for this collection.

***(g) 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.***

Not applicable in this collection.

***(h) requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.***

Any trade secrets or other confidential information will be protected in accordance with the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2).

***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 in response to the PRA statement associated with the collection over the past 3 years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.***

***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, disclosed, or reported. [Please list the names, titles, addresses, and phone numbers of persons contacted.] Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.***

As required in 5 CFR 1320.8(d), MMS provided a 60-day notice in the Federal Register on December 14, 2007 (72 FR 71152). Also, the Paperwork Reduction Act (5 USC 1320) explains that MMS will accept comments at any time on the information collected and the burden statement on the form. We display the OMB control number and provide the address for sending comments to MMS. We received 10 comments in response to the Federal Register notice published on December 14, 2007 (72 FR 71152). One comment received was for a different Federal Register notice and was not germane to this action. The other nine comments were considered, and where relevant, changes were made to the lease form. The majority of the comments were on MMS strategy and policies and did not affect the burden hours, although, due to comments, it was determined that there would be fewer respondents than initially estimated in the 60-day Federal Register notice. After consideration of such comments, MMS has determined that changes are not needed in its strategy and policies. The respondents who submitted comments were: American Wind Energy Association (AWEA); Bluewater Wind; California Coastal Commission; Florida Power & Light Company; National Hydropower Association; Ocean Renewable Energy Coalition; Pacific Gas and Electric Company; Southern Company; Oregon Coastal Management Program; and Winergy Power, LLC.

As this is a new program, information collection estimates were gleaned from experience with similar activities and requirements under the long-standing OCS oil and gas program.

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

There will be no payment or gift to respondents.

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

Any trade secrets or other confidential information will be protected in accordance with the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR part 2). Section 11 of the proposed interim policy lease subject to this information collection also provides that MMS, subject to its disclosure obligations under the Freedom of Information Act and other applicable law, will keep confidential all information received from a lessee for a period of no less than 60 months, unless disclosure is agreed to by the lessee(s) and all other relevant third parties.

***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.***

Not applicable for this collection.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

**(a) 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.**

**(b) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**

There are approximately 18-25 (alternative energy) respondents. We estimate the total annual burden is 3,560 reporting and recordkeeping hours. Refer to the chart for a break out of the burden.

Form MMS-0001 Sections and Exhibits	Reporting and/or Recordkeeping Requirement	Hour Burden	Average No. of Annual Responses	Annual Burden Hour
MMS-0001; Section 1	Fill out and submit form MMS-0001, Lease Agreement, for consideration; execute lease.	1	13	13
1; 9	Prepare and submit initial survey activities (e.g., geotechnical, geophysical, shallow hazard).	100	13	1,300
2; 20	Designate operator when more than one lessee; report change of address.	1	7	7
4	Request extension of lease term and supporting documentation.	2	1	2
7	Notify MMS 72 hrs prior to commencement/termination of lease; notify MMS when facility is back in service after being out of service for more than 7 days.	15 mins. for each requirement x 2 = 30 mins.	13	7 (rounded)
8; 9	Submit plan/modification and supporting documentation.	100	13	1,300
8(d)	Request for reconsideration of modification. (Exempt as defined in 5 CFR 1320.3(h)(9).	1	1	1
10	Submit quarterly progress reports.	4	104 (26 leases x 4 progress rpts per/year)	416
10	Upon request, make available all material used by lessee to interpret data.	3	10	30
10	Submit final progress report upon conclusion of activities or termination of lease; retain all data of the lease term plus 3 years.	4	4	16
11	Lessee and relevant third-parties agree to confidential disclosure.	1	13	13
12	Allow access and make records available as requested by MMS inspectors; incorporate same requirement in any contract between lessee and third parties.	2	26	52
14; 15	Demonstrate financial worth/ability to carry out present and future financial obligations; submit bond/additional security information.	4	15	60
16	Request assignment or transfer of lease.	30 mins.	5	3

				(rounded)
17	Submit written relinquishment request.	1	3	3
18	Submit report detailing that lessee properly removed structures and restored the area.	10	3	30
19	Incorporate nonprocurement debarment and suspension regulations in contracts and transactions.	10 mins.	40	7 (rounded)
1-20	General departure and alternative compliance requests not specifically covered elsewhere in this form.	10	10	100
Exhibit(s)	Compliance with individual stipulations on a case-by-case basis.	5	40	200
<b>Total Burdens</b>			<b>334 Responses</b>	<b>3,560 Hours</b>

***(c) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.***

The average respondent cost is \$85/hour. This cost is broken out in the below table using the Bureau of Labor Statistics\* data for the New York-Northern New Jersey-Long Island-NY-NJ-CT-PA areas. See BLS website: <http://www.bls.gov/bls/wages.htm>.

POSITION	LEVEL	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.4** x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour - rounded)
Biologist*	13	\$62.75	\$87.85	19%	\$17
Oceanographer*	13	\$62.75	\$87.85	15%	\$13
GIS Specialist*	12	\$49.98	\$69.97	7%	\$5
Attorney	15	\$71.85	\$100.59	9%	\$9
Geophysicist/Geologist*	13	\$62.75	\$87.85	10%	\$9
Engineer	14	\$63.75	\$89.25	10%	\$9
Disciplinary/Various	11	\$55	\$77.00	30%	\$23
<b>Weighted Average (\$/hour)</b>					<b>\$85</b>

\* The BLS Professional Specialist Occupation – updated as of March 2005. The rest of the BLS sources reflect their last update from July 2004.

\*\* A multiplier of 1.4 (as implied by BLS news release USDL 07-1883, December 11, 2007) was added for benefits.

Based on a cost factor of \$85 per hour, we estimate the total annual cost to industry is \$302,600 (\$85 x 3,560 hours = \$302,600).

***13. Provide an estimate of the total annual [non-hour] 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).***

***(a) The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life) and (2) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. 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.

*(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden 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 respondents (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.*

*(c) 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.*

We have identified no reporting and recordkeeping non-hour cost burdens for this collection of information.

**14. Provide estimates of 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), and 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 in a single table.**

The average Federal cost is \$61/hour. This cost is broken out in the below table using the Office of Personnel Management 2008 pay schedule for New Orleans, LA.

POSITION	GRADE	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.5* x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour - rounded)
Biologist, Avian/Wildlife	GS-13/05	\$37	\$55.5	9%	\$5
Biologist, Fish/Benthic	GS-13/05	\$37	\$55.5	9%	\$5
Archeologist	GS-14/05	\$44	\$66	9%	\$6
Air Quality Specialist	GS-14/05	\$44	\$66	6%	\$4
Social Scientist/Economist	GS-14/05	\$44	\$66	13%	\$9
Oceanographer	GS-13/05	\$37	\$55.5	25%	\$14
CZM Specialist	GS-14/05	\$44	\$66	8%	\$5
GIS Specialist	GS-12/05	\$31	\$46.5	3%	\$1
Attorney	GS-14/05	\$44	\$66	4%	\$3
Geophysicist/Geologist	GS-13/05	\$37	\$55.5	5%	\$3
Engineer	GS-14/05	\$44	\$66	6%	\$4
Disciplinary/Various	GS-13/05	\$37	\$55.5	3%	\$2
<b>Weighted Average (\$/hour)</b>					<b>\$61</b>

\* A multiplier of 1.5 (as implied by BLS news release USDL 07-1883, December 11, 2007) was added for benefits.

To analyze and review the information respondents submit, we estimate the Government will spend an average of approximately 1 hour for each hour spent by lessees for a total of 3,650 hours. Based on a cost

factor of \$61 per hour, the cost to the Government is \$217,160 (3,560 hours x 1 = 3,560 hours x \$61 = \$217,160). However, we anticipate that this will vary a great deal, depending on the project and the amount of NEPA and other work that is involved. Since this is a new program, the first projects most likely will require more staff time than similar subsequent projects. Also, a different level of work will be necessary depending on the type of project (i.e., wind, wave or current, or reuse of a facility).

***15. Explain the reasons for any program changes or adjustments reported.***

This is a new program and new information collection; therefore, we are requesting a program change.

***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 of information, completion of report, publication dates, and other actions.***

The MMS will not tabulate or publish the data.

***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 MMS will display the OMB approval expiration date on Form MMS-M0001.

***18. Explain each exception to the certification statement, "Certification for Paperwork Reduction Act Submissions."***

Not applicable in this collection.