

United States Department of Energy
Supporting Statement
“Advanced Technology Vehicles Manufacturing Incentive Program”
10 CFR Part 611
OMB Control Number

This supporting statement provides additional information regarding the Department of Energy (DOE) request for processing of the emergency proposed information collection, Advanced Technology Vehicle Manufacturing Incentive Program Application. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, “Instructions for Completing OMB Form 83-I.”

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 136 of the Energy Independence and Security Act of 2007 (“EISA”), enacted on December 19, 2007, Pub. L. 110-140, authorizes the Secretary of Energy (“Secretary”) to make grants and direct loans to eligible applicants for projects that reequip, expand, or establish manufacturing facilities in the United States to produce qualified advanced technology vehicles, or qualifying components and also for engineering integration costs associated with such projects.

Section 129(a) of the Consolidated Security Disaster Assistance and Continuing Appropriations Act of 2009, (Public Law 110-329; Continuing Resolution, 2009) appropriated \$7,510,000,000 for fiscal year 2009 for “Advanced Technology Vehicle Manufacturing Incentive Program Account” for the cost of direct loans as authorized under section 136 (d) of EISA and states that commitments for direct loans using such amount must not exceed \$25,000,000,000 in total loan principle. Further, section 129(c) of the Continuing Resolution, 2009 made several substantive amendments to EISA section 136, including that, not later than 60 days after enactment of the Continuing Resolution, 2009, the Secretary will promulgate an interim final rule establishing regulations that the Secretary deems necessary to administer section 136 of EISA, as amended by the Continuing Resolution, 2009.

Pursuant to section 129 of the Continuing Resolution, 2009 and EISA section 136, DOE promulgated an interim final rule on **November 12, 2008**, setting forth the basic applicant eligibility and project eligibility requirements for both the grant and the loan program. **73 Fed. Reg., No. 219 (November 12, 2008)**.

This collection of information is necessary in order for DOE to identify applicants and projects that are eligible for grants and loans under the program.

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 information collected will be used by the Advanced Technology Vehicle Manufacturing Incentive Program to determine applicant eligibility for direct loans. The information is stored in DOE files or in the agency's computers. DOE requires original Applicant signatures on loan application. The regulation's (10 CFR Part 611) require the submission of substantial information essential to protect the Government's interest.

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.

DOE has requested that Applications be submitted in paper form either by mail or hand delivery. Applicants may send questions and comments to www.regulations.gov. Respondents are also requested to submit an original and one paper copy to DOE.

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 Advanced Technology Vehicles Manufacturing Incentive Program is unique to DOE and is a unique program and opportunity. As a unique opportunity, industry does not typically compile information/data required to submit an application under the Program. DOE does not collect similar information for any projects to which it provides direct loans. Applicants that may be eligible for direct loans will develop information similar to that necessary to obtain financing to perform engineering integration and reequip, expand, and establish manufacturing facilities that produce light duty vehicles and light duty vehicle components. Industry normally develops engineering and cost information for new projects, although the specific new projects submitted to the Program may be unique. The applicants will be able to utilize much of this information in preparing the applications, thus reducing the burden on respondents. Applicants may combine multiple projects into a single application, reducing duplication of effort. In addition, industry is likely working on this type of information in anticipation of implementing projects to meet the more stringent requirements of the new CAFE standards.

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

Small businesses are able to apply for loans and grants, and there is a set aside for small businesses in the grant program. Loans and grants are available for auto and component manufacturers. In general, component manufacturers are much more likely to be small business than are auto manufacturers.

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 the information is not collected, DOE will be unable to implement section 136 of the Energy Independence and Security Act of 2007 (Public Law 110-140, 42 U.S.C. 17013(d)) and Section 129(a) of the Consolidated Security Disaster Assistance and Continuing Appropriations Act of 2009, (Public Law 110-329).

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

Requiring respondents to report information more frequently than quarterly. This ICR is an application that is submitted once, there is no additional reporting requirement after submission of original application..

Requiring written response in less than 30 days. Section 136 of EISA requires DOE to act with extreme expedition in the establishment and implementation of the Advanced Technology Vehicle Manufacturing Incentive Program. Also, Congress mandated that this interim final rule be promulgated no later than 60 days after enactment of the Continuing Resolution 2009. Further, DOE is cognizant of the current extraordinary and adverse credit market conditions and believes it would be contrary to the public interest to delay the effective date of regulations implementing a program that may help respond to those conditions.

Requiring more than an original and two copies. The applicant is required to file two versions of the application, one is public and one is proprietary. No additional copies are required.

Requiring respondents to retain records for more than 3 years. Given that the maximum loan payback period is twenty-five years, accounting and payment records would be required for longer than 3 years.

Not utilizing statistical sampling. This ICR does not utilize statistical sampling.

Requiring the use of statistical sampling which has not been reviewed and approved by OMB. This ICR does not utilize statistical sampling.

Requiring a pledge of confidentiality. There are no such requirements.

Requiring submission of proprietary trade secrets. Because the projects seeking direct loans may employ new or innovative technologies and involve products not yet on the market, the applicants may be required to submit proprietary trade secrets in order to justify the issuance of a grant or loan by the Government._

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions 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. 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.

Not applicable. This is an emergency processing for 180 days. Shortly after OMB's approval of the emergency collection, DOE will issue a notice seeking public comment on the information collection and will submit the proposed collection of information to OMB for approval pursuant to 44 U.S.C. 3507(a).

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

No payment or gift to respondents is being proposed under this information collection.

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

The Interim Final Rule states that if an applicant submits information that the applicant believes to be exempt by law from public disclosure, you should submit one complete copy, as well as one copy from which the information claimed to be exempt by law from public disclosure has been deleted. In addition DOE has provided additional information to applicants and potential applicants on specific marking requirements applicable to loan applications. DOE is responsible for the final determination with regard to disclosure or nondisclosure of the information and for treating it accordingly under the DOE Freedom of Information regulations at 10 CFR 1004.11.

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.

No questions of a personally sensitive nature, such as sexual behavior and attitudes, religious beliefs included in this information collection. The information collected is of a financial and technical nature. As a condition of the receipt of program assistance, respondents must provide total disclosure of income data, debts and assets, and history of business dealings as well as technical business information necessary to meet the requirements established in the enabling legislation that may be considered sensitive. Respondents interviewed indicated no problems or concerns with providing the information requested by this collection. They understand the necessity due to the nature of the assistance and realize this is standard practice when requesting credit assistance. Disclosure is governed by the Privacy Act and the Freedom of Information Act.

12. Provide estimates of the hour burden of the collection of information.

The estimate of hour burden of the information collection is as follows:

Total number of unduplicated respondents: 25

Reports filed per person: 1

Total annual responses: The responses are one-time only responses. The estimated total of one-time only responses is 25

Total annual burden hours: 36,163

Average Burden	Per Collection: 36,163
	Per Applicants: 1,447

The estimate of annual cost for the information collection is as follows:

Respondent's Cost Per Hour: \$100

Total Annual Respondent Cost: \$144,700

Total: \$3,616,300

The public reporting burden for the collection of information is estimated to average 1,447 (total burden hours/total annual responses) hours per response. The respondents are applicants for loans.

13. Provide an estimate for 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).

Only successful loan applicants will have an ongoing cost burden. This burden will consist of recordkeeping and accounting involved with ensuring efficient and effective use of the loan funds. An annual cost of \$75,000 is estimated (accountant and auditor).

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

The estimated ongoing four year cost to the Federal Government is \$ 488,928. Agency employees spend 8320 hours processing collections included in this docket. Average GS-13 salary indicates an average employee salary of \$ 376,100 for a four year period (2008 Salary Table). Adjustments for benefits and miscellaneous expenses are estimated to be 30% thereby resulting in a total average salary per employee of \$ 488,928 for a four year period,, which is divided by 8320 to derive an hourly salary of \$ 58.76.

The review, evaluation and processing of loan requests involves the analysis of complex financial and technical information. In order to perform these tasks in the expedited time frame established by Congress it is necessary to use contractor support. DOE estimates that the first year costs of this program will approximate \$ 8 million dollars. In addition to the contractor costs, a small team of senior level Federal employees are required. This small team composed of GS-14 to Senior Executive Service employees would have salaries averaging \$441,386 for a four year period.

On a going forward process annually there will need to be Federal employees monitoring the program and approving loan disbursements. It is difficult to quantify but if we assume 5 loans making multiple drawdowns the first 2 years of the program and then monitoring the loans for the next 20 plus years.

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

Not applicable. This information collection is a new collection of information.

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 information collected is not intended to be published. No complex analytical techniques will be employed. There will not be a report on the information we collect, other than quarterly and annual reporting on the progress of the direct loan program as a whole and an evaluation of the program against GPRA metrics. DOE could commence issuing direct loans under the program at some unspecified date during FY 2009. Loans issued under the program will be in effect for the length of the term of the loan, which could be no longer than 25 years.

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.

DOE is not seeking approval to not display the expiration date for OMB approval of this information collection.

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

There are no exceptions to the certification statement.