

**SUPPORTING STATEMENT**

**OMB Control No. 0572-0025**

**7 CFR 1730, Review Rating Summary  
(RUS Form 300)**

**OMB Terms of Clearance: None**

**A. JUSTIFICATION**

**1. Circumstances that make this collection of information necessary.**

USDA Rural Development administers rural utilities programs through the Rural Utilities Service (Agency). The Agency manages loans programs in accordance with the Rural Electrification Act (RE Act) of 1936, 7 U.S.C. 901 *et seq.*, as amended. One of the Agency's main objectives is to safeguard loan security. An important part of safeguarding loan security is to see that Agency financed facilities are being responsibly used, adequately operated, and adequately maintained. Future needs have to be anticipated to ensure that facilities will continue to produce revenue and loans will be repaid as required by the Agency mortgage. A periodic operations and maintenance (O&M) review, using the RUS Form 300, Review Rating Summary, in accordance with 7 CFR Part 1730, Electric System Operations and Maintenance, is an effective means for the Agency to determine whether the borrowers' systems are being properly operated and maintained, thereby protecting the loan collateral as prescribed by the Office of Management and Budget (OMB) Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables.

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

RUS Form 300 is completed by Agency electric borrowers and provides an efficient and effective means for Agency borrowers and the Agency to:

- a. identify items that may be in need of additional attention;
- b. plan corrective actions when needed, including a time schedule for implementation;
- c. budget funds and manpower for needed work; and
- d. initiate ongoing programs as necessary to avoid or minimize the need for "catch-up" programs.

Inadequate O&M practices can result in public safety hazards, increased power outages for consumers, added expense for emergency maintenance, and premature aging of the borrower's systems, which could increase the loan security risk to the Agency. Regular O&M review using RUS Form 300 can identify and correct inadequate O&M practices before they cause extensive harm to the system.

**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.**

The Agency is committed to complying with the E-Government Act and has determined that it is not feasible to offer an electronic submission version for this form. The borrower completes the self-rating on the RUS Form 300 and is visited by the General Field Representative (GFR) to discuss the information on the form. Both the borrower and the GFR sign the form when both are satisfied with the information provided on the form. The GFR then obtains the original signed copy and it is sent to the Washington, DC, office for filing. However, the Agency does request clearance to place an electronic copy of the Form 300 on the Agency website so that borrowers have access.

**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.**

There is no duplication of effort with regard to O&M review because the RUS Form 300 information is specific to each electric system borrower and is not found in other available sources.

**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.**

The information to be collected is in a format designed to minimize the paperwork on small businesses and other small entities. The information collected is the minimum needed by the Agency to determine whether the borrowers' systems are being properly operated and maintained.

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

O&M activities are continuous, ongoing activities for all electric system operating activities for all electric system operating entities. Currently, borrowers are required to complete the form

every three years. An O&M program review longer than three years would jeopardize the ability of the Agency to make meaningful judgements on system conditions. Continued neglect of good O&M practices over time can have a very detrimental impact on loan security since failure to make prudent O&M decisions and expenditures often lead to less than acceptable service levels. Eventually, significant lump sum investment could be required to bring the system up to acceptable service levels.

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

**a. Requiring respondent to reporting information more than quarterly.**

There is no requirement to respond more frequently than quarterly.

**b. Requiring written response in less than 30 days.**

There is no requirement to respond in less than 30 days.

**c. Requiring more than an original and two copies.**

There is not requirement of more than original and two copies to be submitted.

**d. Requiring respondent to retain records for more than 3 years.**

Record retention requirements shall be in accordance with 7 CFR 1767.

**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.**

This collection is not a survey.

**f. Requiring the use of a statistical data classification that has not be reviewed and approved by OMB.**

This collection does not employ statistical sampling.

**g. Requiring 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.**

This is no requirement of a pledge of confidentiality.

- h. **Requiring respondents to submit proprietary trade secret, 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.**

There is no requirement to submit propriety trade secrets.

8. **If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. 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, reporting format (if any), and on data elements to be recorded, disclosed, or reported.**

A Notice requesting comments was published in the Federal Register on September 18, 2008, at 73 FR 54136 (copy attached) and no comments were received.

The Agency maintains close contact with borrowers through its' general field representatives (GFRs), field accountants, and headquarters' staff. GFR's have direct personal contact with the borrower and any concerns and suggestions are brought to the Agency's attention via the GFR.

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

Payments or gifts are not provided to respondents.

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

This information collection does not require confidentiality.

11. **Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.**

This information collection includes no questions of a sensitive nature.

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

The Agency requires all active borrowers to complete the RUS Form 300 once every three years in order to obtain further advancement of loan funds. It is estimated that it takes 4 hours to complete this review. There are about 688 (632 Distribution – 56 Power Supply) active borrowers; therefore, there are about 229 RUS Form 300 submissions per year, which consists of 916 total hours of burden for this collection of information.

## **COST TO THE PUBLIC**

### ***RUS Form 300***

Professional: 229 respondents x 4.0 hours = 916 total hrs. x \$ 42.00/hr. = \$38,472

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

There are no capital or start-up costs or operations and maintenance and purchase of service components involved with this collection.

### **14. Provide estimates of annualized cost to the Federal Government.**

Of the 229 Form 300s received annually, it takes approximately 30 minutes of professional time to reviewing and process, totaling 115 hours annually.

## **COST TO THE GOVERNMENT**

115 hours x \$42.00/hr. = \$4830.00

### **15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.**

This is a revision of a previously approved collection. There is no change in burden however, there is a decrease of -70 responses to correct the data input error into ROCIS from the previous submission.

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

There are no plans to publish the results of this information collection.

### **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.**

It is requested for approval of nondisplay of the expiration date on this information collection. Many borrowers reproduce this form to meet their reporting needs in lieu of requesting copies directly from the Agency. Many times previous expiration dates are carried over each time copies are reproduced or on those electronically prepared.

**18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.**

There are no exceptions to the certification statement.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This information collection does not employ statistical methods.