

Supporting Statement A for Paperwork Reduction Act Submissions
OMB Control Number 1028-0060
Mine, Development, and Mineral Exploration Supplement
Expiration Date: March 31, 2010

Terms of Clearance: None

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.**

The U.S. Department of the Interior (DOI) has policy responsibility for the Nation's mineral resources and their derived industries. The National Mining and Minerals Policy Act of 1970 (Public Law 91-631, 30 U.S.C. 1601 et seq.) and the National Materials and Minerals Policy, Research and Development Act of 1980 (Public Law 96-479, 42 U.S.C. 6901) make it incumbent upon the Secretary of the Interior to be informed about and to inform the Congress of important developments, including crises, in the minerals industries. Many of the responsibilities regarding mineral resources are assigned to the U.S. Geological Survey (USGS), where they are discharged through a staff that includes chemists, economists, engineers, mineral commodity specialists, and physicists.

Two fundamental activities—mining and agriculture—form the basis of the Nation's wealth because they furnish all the raw materials and most of the energy that are used in all other industries. Additionally, the mining industry supplies the fertilizers, pesticides, and soil conditioners that significantly enhance the performance of the agricultural sector. For those raw materials not produced domestically, supplies must be imported. This adversely affects the trade balance and, for some materials, puts U.S. industries at risk of supply disruptions because of international political developments. Imports may also compete with domestic production, thus jeopardizing U.S. jobs. Accordingly, the Government requires accurate, timely data on raw materials production and related industries to formulate policies that ensure national security and economic well-being. The USGS canvass forms are the fundamental means by which data on minerals, mining, and related materials production are obtained.

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.]

The data obtained from this canvass are used by Government agencies, Congressional offices, educational institutions, research organizations, financial institutions, consulting firms, industry, and the public. They provide essential mining, exploration, and development information used to make domestic ore resource analyses.

Each company reports commodity data consistent with industry standards and as mutually agreed upon by the company and the USGS commodity specialists. Based on these submissions, the USGS routinely supplies information, analyses, and data for decision-making purposes to the Congress and various Presidential councils and commissions. The National Security Council, in particular, has frequently used USGS data in relation to materials mobilization studies and specific Presidential projects, such as sustainability analyses.

Information gathered from this canvass is used by the Secretary of the DOI in the annual report to the Congress on the state of domestic mining and mineral industries as required by the National Materials and Minerals Policy, Research and Development Act of 1980. Two of the basic provisions of the Act are:

- “the availability of materials is essential for national security, economic well-being, and industrial production” and the
- “extraction, production, processing, use, recycling, and disposal of materials are closely linked with natural concerns for energy and the environment.”

The data also provide ways of identifying industry trends; making supply and demand analyses on varying time cycles; assembling meaningful conclusions concerning such important indicators as industry vitality; and formulating appropriate recommendations for the Government on such matters as stockpiling, tariffs, research and development, and production incentives. Exploration data can provide a window to the future because exploration activity often takes place many years before mining begins.

This canvass covers the entire nonfuel minerals mining industry. The data collected are used to make domestic ore resource analyses. The USGS then issues, as promptly as possible, an Annual Report that provides essential information while protecting trade secrets and privileged or proprietary commercial or financial information. These data form a substantial part of the USGS Automated Minerals Information System (AMIS) from which mining engineers, geologists, economists, and mineral commodity specialists obtain data for use in legislative decisions, research programs, economic studies, analyses, land use, and environmental impact studies. These data are also used to respond to nationwide and international requests for minerals information.

Form USGS 9-4000-A asks respondents for information on production status, activity, and type of operations per year; type and quantity of crude material mined; type of development work; mining methods; and exploration activity.

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].

Thirty percent of the universe is expected to respond electronically. Paper forms will remain an option for submission of responses because not all industry respondents are able to or wish to transmit

their data to the USGS by electronic means. For security purposes, certain users will not be allowed to access past submissions on-line unless they specifically request administrative privileges to retrieve such historical data.

In addition to producing electronic versions of paper forms, the conversion process encompassed mappings of thousands of fields to the mainframe AMIS database. Extensive cross-checks on data were automated, replacing manual processes. The electronic forms conversion effort fulfills the Government Paperwork Elimination Act (GPEA) requirements by establishing intelligent links between the input on the electronic forms and the database rather than simply transforming the physical forms to electronic versions of the same.

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.

If data are available from other Federal or State agencies, trade associations, or other public sources, then USGS canvasses are not conducted. The USGS continuously reviews data collection practices with other agencies, including the U.S. Department of Commerce and the U.S. Department of Labor, and the International Trade Commission, as well as with industry associations such as the American Iron and Steel Institute, the Institute of Scrap Recycling Industries, the International Tungsten Industry Association, the Cobalt Development Institute, the Gypsum Association, the Aluminum Association, the International Chromium Development Institute, the Bismuth Institute, the International Copper Study Group, and the International Lead and Zinc Study Group.

For over 120 years, the Federal Government has consistently collected mineral information while trade associations have been created and abolished. Where data are available from other sources, these data are used. Alternate data sources are not available for the mineral commodities that are canvassed.

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

The canvass form is designed to minimize the burden to all respondents of which about 25% are small businesses. Only essential data are requested in a format common to the reporting industry. When applicable, small businesses often respond with fewer data entries than the larger organizations.

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.

The USGS provides information necessary for sound Federal, State, and industry decision making. Tabulations of volumetric data concerning domestic mining operations' use of land can be used to compare the total volume of earth disturbed with the actual crude ore mined and the resulting marketable product. These data, in conjunction with exploration and development data, are an indicator of the future mining outlook. If data were available less frequently than annually, that data would not be timely enough to be reliable for decisions that affect minerals vulnerability, potential environmental impacts, current trends, and future needs. These decisions, in turn, have an effect on such things as taxes, royalty payments, tariffs, land use, environmental regulations, water use, and transportation.

Collection of annual data allows economic analysis that can capture variations—a longer time interval could not. Collection of these data on a biennial basis would not be practical because the industry respondents do not normally have the data in a convenient format except on an annual basis. A 2-year canvass, for example, would require the respondents to alter their accounting procedures or manually add

2 years of data. This would increase their reporting burden. Also, multiyear data are less meaningful and less convenient for analysis by industry and Government agencies.

7. **Explain any special circumstances that would cause an information collection to be conducted in a manner: (i) requiring respondents to report more often than quarterly, (ii) requiring respondents prepare written responses in fewer than 30 days after receipt, (iii) requiring respondents to submit more than an original and two copies of any document, (iv) retain records for more than 3 years; (v) 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; (vi) the use of a statistical data classification that has not been reviewed and approved by OMB; (vii) that includes a pledge of confidentiality not supported by authority established in statute or regulation; requiring respondents to submit proprietary trade secrets or other confidential information.**

This collection is consistent with the above provisions; however, under the terms of the USGS standard for handling proprietary canvass data included in the supplementary documents, companies can and usually do specify that the data they supply be shared only in aggregated form. These terms ensure that the USGS will continue to receive proprietary data in confidence.

The canvass forms are designed to ensure that respondents are not required to maintain or provide data in a format other than that in which the data are customarily maintained. The respondents are routinely asked to comment on the design of the forms and to make recommendations that help maintain consistency with industry's methods of accounting.

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 three 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.

On May 27, 2009, the USGS published a Federal Register notice (74 FR 25273) announcing that the USGS would submit this information collection to OMB for approval. The notice provided a 60-day public comment period ending on July 27, 2009. We received no comments in response to the notice.

Mineral commodity specialists are routinely contacted by Federal and State agencies, Members of Congress, trade associations, the financial community, private companies, universities, and private citizens that request general and specific data and information.

When persons outside the USGS submit requests for information, the USGS mineral commodity

specialists and statistical assistants respond in a timely manner. The USGS receives and responds to several thousand e-mail and telephone inquiries each month. During these discussions and interactions, views are exchanged on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format, data elements to be recorded, disclosed, or reported, burden estimates and other aspects of this Information Collection. These views help the USGS to improve its data and publications.

On the basis of such feedback, information-use patterns are established commodity by commodity. Once patterns are determined, canvass forms are revised to collect data and to meet the information needs. As information request patterns change, the data collected and reported are modified. Although no direct changes to the collection instrument were made, the list below identifies industry contacts consulted on the burden estimates and other aspects of this Information Collection in July 2009.

Crowe Butte Resources, Inc. DBA Cameco
Resources
Wade Beins, Senior Geologist
Crawford, NE
Date of contact: July 2009

Teck Cominco Washington, Inc.
Sam McGeorge, Chief Geologist
Metaline Falls, WA
Date of contact: July 2009

UR-Energy USA, Inc.
John Cash, Manager of EHS and Regulatory Affairs
Littleton, CO
Date of contact: July 2009

Denison Mines USA Corporation
Jon Showalter, Mine Geologist
Egnar, CO
Date of contact: July 2009

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

No payments or gifts are made to respondents.

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

Public Law 96-479, Section 5(3) (f), ensures the confidentiality of all data reported by persons or firms engaged in any phase of mineral or mineral-material production or large-scale consumption. The disclosure of data shall be in aggregated form so as not to reveal data from a single person or firm.

To implement Section 5(3) (f), the USGS withholds all data reported as “Company Proprietary Data,” and data are disclosed only in the aggregate. Additionally, tests are performed on aggregated data to ensure confidentiality. USGS policy states that absent specific company permission, aggregated data can be reported only if it represents three or more companies and if no one company accounts for more than 75% of the total or if no two companies account for more than 90% of the total. Proprietary data may only be disclosed to Congress or to Federal defense agencies upon official request for appropriate purposes and in some instances to a State government under a cooperative agreement (Memorandum of Understanding). Except in response to requests by Congress or by Federal defense agencies, proprietary data will never be disclosed without the specific permission of the company as represented in the disclosure query. The disclosure statement and query are printed on each canvass form.

The USGS standard for handling proprietary canvass data further discusses protections for USGS proprietary data including penalties associated with violations.

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.

Sensitive data are not sought.

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

Variations can be expected in the reporting burden for completion of this form because of the differences in operation size and accounting systems. The data sought are those routinely maintained in the course of business. For some companies with more than one plant, the submission takes the form of a consolidated report covering all company operations. This greatly reduces the reporting burden.

We estimate public reporting burden for this collection of information (includes the time for reviewing instructions, searching data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information) is 539 annual burden hours (Table 1). Respondents report details of their mining and exploration operations annually. For the 719 associated responses, average completion time is 45 minutes per form.

Table 1. Consolidated estimates of burden

		PRIVATE SECTOR			
Form No.	Frequency	Number of Respondents	Responses	Completion Time	Burden Hours
9-4000-A	Annually	719	719	45 min	539

We estimate the dollar value of annual burden hours to be \$14,947 (Table 2) based on the National Compensation Survey: Occupational Wages in the United States March 2009 published by the Bureau of Labor Statistics (BLS) Occupation and Wages, June 2009 (Table 5 of BLS News Release USDL 09-0634, http://www.bls.gov/news.release/archives/ecec_06102009.htm) The particular value utilized is:

- Private Sector: Average hourly wage including benefits is \$27.73. Average hourly wage of \$19.45 was multiplied by 1.4 to account for benefits. To obtain this rate we used data from the BLS News Release mentioned above.

Table 2: Dollar Value of Respondent Burden Hours

Activity	Annual Number of Responses	Total Annual Burden Hours	Dollar Value of Burden Hours Including Benefits	Total Dollar Value of Annual Burden Hours
Completing canvass form	719	539	\$27.73	\$14,947

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).

There is no non-hour cost burden to respondents under this collection. There is no recordkeeping nor any fees associated with collection of this 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 total annual cost to the Federal Government is \$2,118,000. This includes the operational expenses (\$589,000) and cost to the Federal Government for salaries and benefits for administering this information collection (\$1,529,000).

Operational expenses include mailing, overhead, printing, processing and non-Federal support staff (Table 3).

Table 3. Annualized Operational Expenses and estimated costs

Operational Expenses	Estimated Cost
Printing of canvass forms	\$35
Mailing lists compilation and maintenance	\$300
Mailing operation	\$800
Editing, coding, tabulation, analyzing	\$286,100
ADP processing	\$241,100
Electronic publication of results	\$395
Government Printing Office print costs for 2 Federal Register Notices	\$1,270
Electronic forms development and maintenance	\$59,000
Total	\$589,000

The total estimated cost to the Federal Government for processing and reviewing information received as a result of this collection is \$1,529,000 (Table 4). This includes Federal employee salaries and benefits. The table below shows Federal staff and grade levels performing various tasks associated with this information collection. We used the Office of Personnel Management Salary Table 2009-DCB (http://www.opm.gov/flsa/oca/09tables/pdf/dcb_h.pdf) to determine the hourly rate. We multiplied the hourly rate by 1.5 to account for benefits (as implied by the BLS news release September 10, 2009 USDL 09-1098).

Table 4. Federal Employee Salaries and Benefits

1	2 ¹	3 ²	4	5 ³	6 ⁴	7 ⁵	8 ⁶
Positions	Grade and step	Estimated percent of time spent on collection	Estimated average hourly rate including benefits (1.5 x average hourly rate)	Estimated weighted average hourly rate including benefits (1.5 x average hourly rate)	Percent distribution of Federal employee salary/benefit cost	Estimated Federal employee salary/benefit annualized costs	Estimated Federal employee Hours (annualized)
Commodity Specialists	GS-13/8	33.6%	\$77.06	\$25.89	49.2%	\$752,000	9,800
Statistical Assistants	GS-6/3	50	28.43	14.21	27.0	413,000	14,500
Computer Specialists	GS-13/8	5	77.06	3.85	7.3	112,000	1,500
Editors	GS-12/ 8	5	64.80	3.24	6.2	94,000	1,500
Mineral Records Administrator	GS-12/8	1.4	64.80	0.91	1.7	26,000	400
Management	GS-14 /8	5	91.07	4.55	8.6	132,000	1,400

Total Estimated of Percent time spent on collection* **100%**

Estimated Total Weighted Hourly Average (\$/hr) **\$52.66**

Estimated Total annual Federal employee salary/benefit cost **\$1,529,000**

Total estimated hours (annualized) **29,100**

¹The grades/steps in the table represent an average of several employees at several grades/steps – some of the employees may work full-time on the collection, while other employees may work part-time.

²Data collection, processing, and publication

³Column 3 x Column 4

⁴Column 5/Estimated total weighted hourly average

⁵ Column 6 x Estimated Total annual Federal employee salary/benefit cost (totals rounded to nearest thousand)

⁶ Column 7/ Column 4 (differences due to rounding)

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

We estimate that there will be 719 responses totaling 539 burden hours. This is a net increase of 102

responses and 76 burden hours from our previous request of 617 responses and 463 burden hours.

The difference represents an adjustment where we fine-tuned the number of respondents based on our experience in administering this collection along with the types of respondent feedback, discussions, and interactions as described in our answer to Question 8.

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 AMIS mainframe system and off-the-shelf software packages are used to compile and tabulate the data and to prepare tables for publication. National, State, and regional tabulations are prepared and published annually at <http://minerals.er.usgs.gov/minerals/> in table format from data collected by this canvass.

Tables present various aspects of crude ore production, mining methods, and development and exploration activities in the mineral industries. Economic changes are incorporated and industry trends and activities are studied. Statistical data are processed and analyzed by the Data Collection and Coordination Section, which also establishes timing for all key steps in the work.

Tabulation and publication of data are governed by the USGS standard for handling proprietary canvass data included in the supplementary documents. Data are available via the Internet and in print for select publications in the USGS minerals information series.

The entire process, from canvass mail-out to final publication as an Annual Report in the “Minerals Yearbook,” takes about 13 months. This publication schedule maintains a very high percentage of responses.

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.

We will display the OMB control number and expiration date on the single form in this collection.

18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions.”

There are no exceptions to the certification statement.