

B. Collection of Information Employing Statistical Methods

1. The group of companies initially required to file Form EIA-28 was based upon those companies, in 1976, which were among the top 50 domestic crude oil producers that had at least 1 percent of domestic production or reserves of oil, gas, coal, or uranium, or 1 percent of domestic refining capacity or petroleum product sales.

Re-evaluations of the companies selected, based on 1982 data, 1985 data, and again on 1987 data, indicated almost no change in the group since the group was first selected. However, since Cities Service, one of the 26 companies originally selected, was merged with Occidental Petroleum in December 1982, the number of 1984 respondents was reduced to 25. Similarly, for the 1985 reporting cycle, the number of respondents was reduced to 22 companies, due to several mergers and acquisitions within the FRS respondent sample (Mobil-Superior, Texaco-Getty, and Chevron-Gulf), all effective during 1984. Sun Company spun off its U.S. oil and gas subsidiary, Sun Oil and Gas Exploration Company (subsequently renamed Oryx Energy Company), to shareholders in 1988. Both Sun and Oryx reported in 1988. In 1988, Tenneco sold all of its petroleum operations, and was dropped from the group.

A review of 1991 publicly-available data resulted in one company being dropped from the FRS respondent list and three new respondents being added. Total Petroleum North America, Ltd., which was added in 1990, spun off all of their oil and gas properties to shareholders. As a result, they no longer met the selection criteria and were dropped from the group. Anadarko Petroleum Corporation, ENRON Corporation, and NERCO, Inc. were added. In 1993, Kennecott Corporation acquired NERCO, Inc. and sold off all of NERCO's oil and gas assets. Consequently, Kennecott did not meet the selection criteria, so it was dropped from the group in 1993. The survey group was unchanged for the years 1994 through 1996. In 1997, Sun Company was dropped from the survey because it fell below the top 50 domestic crude oil producers criterion, and Sonat, Inc. was added.

In recent years, the U.S. refining industry has been undergoing a process of restructuring, cost-cutting and consolidation, and the trend in industry acquisitions, divestitures, and alliances has sharply increased. These rapid industry changes were reducing the ability of EIA's Financial Reporting System to meet its legislative requirement to provide "... a statistically accurate profile ..." of the U.S. refining line of commerce. Therefore, in 1998 EIA changed the selection criteria for the EIA-28 survey in order to maintain a more representative coverage of the industry. Accordingly, the EIA eliminated the Form EIA-28 Top-50 Requirement. Additionally, the 1 percent threshold on both coal and uranium production was eliminated.

EIA also specified that the U.S.-based companies selected for the FRS survey group, or their parent companies, must be publicly-traded companies. With these changes, the simplified FRS respondent selection criteria allow for the inclusion of large, publicly-traded, non-integrated independent refiners.

In summary, the revised respondent company selection criteria for the FRS Form EIA-28 includes in the FRS survey group, any U.S.-based company (or its parent company) that is publicly-traded, and accounts for 1 percent or more of U.S. production or reserves of crude oil (including natural gas liquids) or natural gas, or 1 percent or more of U.S. refining capacity or refined product sales volume.

A review of 1997 publicly-available data, using the newly established criteria, resulted in 11 additions to, and two deletions from, the FRS respondent list. Reevaluations of the companies selected, based on 1998, 1999, and 2000 data, indicated no change in the group since the review of 1997 data. However, since then, the composition of the group has changed due to various mergers and acquisitions, and a corporate bankruptcy.

In 1998, Kerr McGee and Oryx merged. In December 1998 Exxon and Mobil merged, and Amoco and British Petroleum merged. In April 2000 BP Amoco acquired Atlantic Richfield. In July 2000 Union Pacific Resources merged with Anadarko Petroleum. In October 2000 Chevron and Texaco merged. In January 2001, Coastal merged with El Paso Energy. In September 2001, Phillips Petroleum acquired Tosco. On August 30, 2002, Phillips Petroleum and Conoco merged. In December Enron filed for bankruptcy. XTO Energy was added to the group in 2003, and Chesapeake Energy and Equitable Resources were added to the group in 2004, when their natural gas reserves exceeded 1 percent of the U.S. total.

Several transactions affecting FRS respondent companies occurred during 2005. Premcor was acquired by Valero September 1, 2005; and Unocal was acquired by Chevron August 10, 2005. Additionally, Lyondell Chemical bought out CITGO's ownership in the LYONDELL-CITGO Refining L.P. July 31, 2006, which resulted in Lyondell Chemical becoming the FRS respondent.

Burlington Resources (March 31, 2006) and Kerr McGee (August 10, 2006) were acquired by ConocoPhillips and Anadarko Petroleum, respectively. Dominion Resources sold most of its oil and gas production assets and no longer met the selection criteria for the FRS in 2007. The FRS respondent Lyondell Chemical was acquired in December 2007 by Basell, creating LyondellBasell Industries. However, Lyondell Chemical

Corporation remains the FRS respondent company. Alenco, the U.S. affiliate of the Canadian-based EnCana Corporation, was added in 2007 due to incremental growth in its U.S. natural gas production.

For the 2008 reporting year refining joint ventures Hovensa, LLC (PdVSA and Hess are joint partners) and WRB Refining (EnCana and ConocoPhillips are joint partners) were added to set of FRS respondent companies due to their refinery capacity.

The 27 respondent companies for 2008, thus, are as follows:

1. Alenco Incorporated
 2. BP America Inc .
 3. Anadarko Petroleum Corporation
 4. Apache Corporation
 5. Chesapeake Energy Corporation
 6. Chevron Corporation
 7. CITGO Petroleum
 8. ConocoPhillips Company
 9. Devon Energy Corporation
 10. Equitable Resources, Inc.
 11. El Paso Corporation
 12. EOG Resources
 13. Exxon Mobil Corp.
 14. Hess Corporation
 15. Hovensa, LLC
 16. Lyondell Chemical
 17. Marathon Oil Corp.
 18. Motiva Enterprises, LLC
 19. Occidental Petroleum Corp.
 20. Shell Oil Co.
 21. Sunoco, Inc.
 22. Tesoro Petroleum Corp.
 23. TOTAL Holdings USA, Incorporated.
 24. Valero Energy Corp.
 25. Williams Companies, Inc.
 26. WRB Refining, LLC
 27. XTO Energy, Inc.
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2. The legal requirements (Section 205(h) of P.L. 95-91) specify that data be collected from major energy-producing companies. Statistical sampling, therefore, would not be appropriate for selecting major companies.
 3. Penalties can be imposed for failure to submit Form EIA-28. Nonresponse has not been a problem and the response rate has always been 100 percent.

4. This information collection request (ICR) was designed and is conducted by the EIA. During development of the proposed new schedules, EIA consulted with affected companies regarding the information to be requested.
5. For questions regarding the Form EIA-28, please contact Neal Davis at (202) 586-6581. General questions about the EIA information collection clearance program should be directed to Jason Worrall at (202) 586-6075.