

Supporting Statement
Office of Fossil Energy American Recovery and Reinvestment Act Financial Assistance
Grants Carbon Capture and Sequestration from Industrial Sources and Innovative
Concepts for Beneficial CO₂ Use (ICCS)

Office of Management and Budget Control Number _____ (new)

This supporting statement provides additional information regarding the Department of Energy's (DOE) request for processing the proposed information collection by the Office of Fossil Energy. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, Instruction or 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.

The projects being funded by ICCS are similar in terms to the technical and management risks, complexity and potential contribution as projects funded under the Clean Coal Power Initiative (CCPI). In 2008 CCPI projects were granted a class deviation from grant administration requirements and DOE was allowed to require the projects to report on a monthly basis. In allowing for more frequent reporting, the Office of Management and Budget stated that the deviation was granted based on the determination that monthly reporting would help DOE mitigate the risks inherent to CCPI demonstration project.

While the similarity of the ICCS projects to CCPI alone justifies monthly reporting, because ICCS projects are recipients of Recovery Act funds there are added expectations for public transparency and accountability that cannot be met with quarterly reports. In addition, guided by government and private industry project management best practices, the Department has identified project areas that require monthly instead of quarterly reporting to meet the transparency and accountability expectations and to support sound management of project risks. Monitoring projects and basing responses on quarterly reports often means relying on information as much as five months old and does not meet DOE needs. These heightened expectations are evidenced by requirements and requests for timely information on program activities to OMB, Congress and the public.

Currently recipients are required to report progress on financial information on a quarterly basis. These reports are due within 30 calendar days after the end of the calendar quarter. Therefore, reports on work that was completed in October, November, and December would be available to the government by the end of January in the following calendar quarter. Financial reporting is completed through standard Form SF-425 that is available on the internet.

2. Indicate how, by whom, and for what purpose the information is to be used.

The information to be collected is needed by DOE program and project managers as part of their due diligence efforts to ensure the wise expenditure of funds including adherence to schedule, cost and technical milestones. The early identification of risk is critical to support a

project's successful completion and compliance with the term and conditions of its agreement with DOE. The information also enables program staff to provide required or requested timely information on program activities to MB, Congress and the public.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or their technological collection techniques or other forms of information technology.

DOE has requested that status reports be submitted by recipients in one of two ways: (1) when part of the supporting documentation for invoices, be submitted in electronic format through DOE's Vendor Inquiry Payment Electronic reporting Systems (VIPERS); and (2) otherwise, be submitted via DOE's web-based project management systems. Electronic submission of reports will result in greater efficiency, timely reporting and a reduced paperwork burden for grantees and DOE program staff. Award recipients must prepare and submit all technical/scientific reports via E-link t <http://www.osti.gov/mlink-2413>. All other reports must be submitted via the internet at FITS@NETL.DOE.GOV.

As regards reporting of Recovery Act post-award resource loaded schedules the recipients are not required to submit information using a specific form, but the recipients are offered templates in Microsoft Excel and Microsoft Project to facilitate transfer of the information to the DOE.

4. Describe the efforts to identify duplication. The new information being requested is not currently being collected.

Recipients and their sub-awardees (sub-contractors) normally collect cost and performance data on a monthly basis that is needed to report the cost and schedule performance indices and project percent compete. Sub-awardees normally submit invoices to the Participant on a monthly basis, and Participants normally submit invoices to DOE on a monthly basis. Therefore, most of the information we are requesting is typically developed by the Recipients on their own, so it is not an undue burden to request that they submit it to us on a monthly basis.

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

Recipients that apply for and are awarded major technology demonstration projects such as CCPI or ICCS must have the capacity to carry out all aspects of project performance, including the use of earned value management. In the case of small businesses, subcontractors can be hired by the recipients to prepare the needed reports using their standard methods. The recipients are offered templates in Microsoft Excel and Microsoft Project to facilitate transfer of the information to the OE.

6. Describe the consequences 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.

Guided by government and private industry project management best practices, the Department has identified project areas that require monthly instead of quarterly reporting to meet the transparency and accountability expectations and to support sound management of project risks. Monitoring projects and basing responses on quarterly reports often means relying on information as much as five months old and does not meet DOE needs. These heightened expectations are evidenced by requirement and requests for timely information on program activities to OMB, Congress and the public.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

Not applicable

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the Agency's notice.

Notice of this information collection was published in the Federal Register Vol. 75, No. 48 /Friday March 12, 2010 /Notices, p.11871. Copies of the notice have been provided to the Office of Management and Budget. No comments were received.

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

Not applicable

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

Not applicable

11. Provide additional justification for any questions of a sensitive nature.

Not applicable

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

Earned value management is required on all major demonstration projects including CCPI and ICCS projects. It is estimated that the added burden of reporting Recovery Act post award

resource loaded schedule information on top of this effort is approximately 20-35 hours for the recipient and 8-16 hours for the federal project manager per project per month.

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

Total respondents: 9-23

Reports filed per respondent per year: 12 (4 quarterly and 8 monthly)

Estimated hours required for information submission:

Total annual burden hours/respondent: 240 - 420

Total annual burden hours: 2,160 – 9,660

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

The estimated cost of monthly reporting is \$60,000 - \$81,000 per project, per year.

14. Provide estimates of annualized cost to Federal government.

The estimated annualized cost to the federal government is \$75,000 - \$110,000 per project, per year.

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

Not applicable

16. For collections whose results will be published, outline the plans for tabulation and publication.

Not applicable

17. In seeking approval to not display the expiration date for OMB approval of the information collection, explain why.

Not applicable

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

Not applicable