

**Supporting Statement:
State Energy Program
OMB Control Number: 1910-5126**

1. Explain the circumstances that make the collection of information necessary.

The Department of Energy (DOE) requires collection of information for the State Energy Program (SEP) as included in Funding Opportunity Announcement DE-FOA-0000052 , the Energy Independence and Security Act of 2007 (EISA) and the OMB requirements for (1) grant and financial administration, and (2) American Recovery and Reinvestment Act (ARRA) funds. DOE provides federal financial assistance and technical support to states and local governments under the EISA. Information gathered provides current information required to respond to OMB, congressional and consumer requests and budget preparation.

The SEP Program has \$3.2 billion under ARRA to be spent by April 2012 as compared to a historical annual appropriation of less than \$100 M. In order to adequately monitor, report, and ensure transparency and accountability, we simply must require monthly reporting in addition to quarterly reporting given the new huge increase in funding for this program.

DOE has reviewed its monitoring and oversight procedures, and has determined that reporting requirements must be modified to increase both the frequency of reports and the information needed to ensure that these programs are managed effectively and efficiently and achieve Administration goals for job creation and energy transformation

The information collected is used by program staff to track the recipients' activities, their progress in achieving scheduled milestones, and funds expended (including expenditure rates). The information also enables program staff to provide required or requested information on program activities to OMB, Congress and the public.

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

The information collected is used by program, state, project management center and financial staff to develop and approve program activities and budgets. It also allows for response to congressional, budget and public inquire of program activities.

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.

The collection of the information has been standardized to provide database collection and retrieval of program information through the online tool Performance and Accountability for Grants in Energy (PAGE). PAGE is a system that interfaces with DOE financial systems, the EERE Project Management Center, DOE Headquarters and state and local grantees. Electronic submission of reports will result in greater efficiency, timely reporting and a reduced paperwork burden for grantees and DOE program staff. It will allow grantees to update and modify prior year plans, eliminating the need to retype information on continuing activities.

4. Describe efforts to identify duplication.

The State Energy Program is a unique, flexible and diverse program that provides funding to States to promote the conservation of energy, reduce the rate of growth in energy demand and reduce the dependence on imported oil through the development and implementation of a comprehensive State Energy Program. The collection of the information has been standardized to capture information on jobs, financial expenditures and obligations, progress on project implementation, and estimated impacts.

Where the information collected corresponds to data collected by OMB via FederalReporting.gov, PAGE provides a function to collate, review, and submit the duplicated data to FederalReporting.gov.

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

Small businesses are not impacted by these requirements.

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.

All programs funded through ARRA will be subject to increased attention and scrutiny from OMB, Congress, the media and the public. President Obama has pledged transparency and accountability in the expenditure of ARRA funds. If this information is not collected, DOE will not be able to provide reports to OMB or respond to requests for information on ARRA-funded activities and expenditures. If the information is collected less frequently, DOE will not be able to track activities and funds status as closely as necessary, and timely information will not be available to OMB, the White House, Congress and the public. Frequent reporting will also allow any problems, barriers or system bottlenecks to be identified and dealt with right away.

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

The information collection is not being conducted in a manner inconsistent with OMB guidelines.

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 5CFR 320.8(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 in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE.

The Department published a 60-day Federal Register Notice and Request for Comments concerning this collection in the Federal Register on April 16, 2010, volume 75, number 73, and page number 19953.

The Department published a 30-day Federal Register Notice and Request for Comments concerning this collection in the Federal Register on July 1, 2010, volume 75, number 126 and page number 38091.

Both notices described the collection and invited interested parties to submit comments or recommendations regarding the collection. One comment, received from the Council on Governmental Relations, indicated that the reporting requirements (particularly monthly) for SEP were unduly onerous and would not prove useful. No specific comment on the cost or hour burden was made.

The reporting guidance on which the Council provided commenting was State Energy Program Notice 10-06. The new reporting guidance (State Energy Program Notice 10-06A) reduces both the monthly and quarterly reporting requirements leading to an approximately 40% reduction in the annual reporting burden.

DOE has engaged in weekly telephone conferences with a number of stakeholder organizations since February 2010 to discuss a host of issues regarding SEP, including quarterly and monthly reporting requirements.

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

No payment or gift is being provided to the respondents.

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

No identifiable confidential information is being requested.

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.

There are no collections in this package that involved questions of a sensitive, personal or private nature.

12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

Monthly Reporting burden

All SEP Grantees are required outlays by market title on a monthly basis. It is estimated that the directly funded local communities, tribal nations, and state governments will spend one hour preparing each report.

- (1) 56 grantees x 1 hours = 56 hours per month;
- (2) 56 hours x 8 monthly reports = 448 hours annually

Quarterly Reporting burden

All SEP Grantees are required to report information on jobs, financial expenditures and obligations, process metrics, and impact estimates of energy saved, emissions reduced, and renewable energy generated. It is estimated that state governments will spend seventeen hours preparing each report.

- (1) 56 grantees x 17 hours = 952 hours per quarter;
- (2) 952 hours x 4 monthly reports = 3,808 hours annually

Reporting burden summary:

(1) Monthly reports=	448 hours
(2) Quarterly reports=	3,808 hours
TOTAL	4,256 hours annually

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

State government burden

a) Monthly reports: 56 entities x 8 reports x 1 hours/report= 448 hours

b) Quarterly reports: 56 entities x 4 reports x 17 hours/report= 3,808 hours

Total cost burden: 4,256 hours (448 + 3,808) x \$40/hour= \$170,240

It is expected that respondents will be able to expend a reasonable amount of administrative funds from their grant funds towards the cost of reporting.

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

1) PMC staff 1 hour @ \$40 per hour = \$ 40

Annual costs specific to the federal government:

Quarterly: 56 reports x \$40/report = \$ 2,240

Total Annual cost: \$2,240 x 4 reports = \$ 8,960

DOE believes there are no additional costs to respondents other than the burden hours reported for reporting and record keeping.

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

The rationale for changes is as follows:

1. The emergency ICR contemplated only the additional burden required by SEP recipients for monthly reporting, and not the total inventory (quarterly and monthly) requested under SEP.

2. The burden estimates for quarterly and monthly reports have been corrected to reflect the changes in information requested on both a quarterly and monthly basis and reflect input from the public (both from the emergency ICR and anecdotal input).

The revisions in both the original (emergency ICR) and revised (current normal ICR) burden estimate are reflected in the table below:

SEP reporting burden				
Original burden estimates				
	Recipients	Per report burden	Reporting period burden	Annual burden
Monthly	56	6	336	2688
Quarterly	56	18	1008	4032
SEP recipient subtotal				6720
Revised burden estimates				
	Recipients	Per report burden	Reporting period burden	Annual burden
Monthly	56	1	56	448
Quarterly	56	17	952	3808
SEP recipient subtotal				4256

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

There are no plans for publication.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The Department is not seeking approval to not display the expiration date for OMB approval of the information collections contained in this package.

18. Explain each exception to the certification statement identified in Item 19 of OMB Form 83-I.

There are no exceptions being requested.