

**Supporting Statement:  
OE Recovery Act Financial Assistance Grants  
OMB Control Number 1910-5149**

This supporting statement provides additional information regarding the Department of Energy (DOE) request for processing of the renewal of the proposed information collection, OE Recovery Act Financial Assistance Grants. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, "Instructions for Completing OMB Form 83-I."

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

The Department of Energy (DOE) requires collection of information for Recovery Act Smart Grid grants. Sections 1304 and 1306 of the Energy Independence and Security Act of 2007 ("EISA"), enacted on December 19, 2007, Pub. L. 110-140, and amended in Section 405 of the American Recovery and Reinvestment Act of 2009 ("ARRA") authorize the Secretary of Energy ("Secretary") to establish programs to make grants and financial assistance to eligible applicants for qualifying investments. The information to be gathered will provide current information required by DOE project managers to manage individual grants, respond to OMB, congressional and consumer requests, and to guide budget preparation. All awardees will be required to submit the monthly data, regardless of their size.

Adequate stewardship of the Federal matching funds to be granted to the applicants cannot be done without this information. The ARRA requires exceptional transparency in the conduct of its programs, and these data are an essential component of what will make that transparency a reality. The information also enables program staff to provide required or requested timely information on program activities to OMB, Congress and the public.

Many of the recipients of Smart Grid Investment Grants (SGIG), Smart Grid Demonstration Projects (SGDP), and Interconnection grants will be collecting the requested data on at least as frequent a basis as monthly for their own management purposes. Therefore, DOE is only asking recipients for what they are already collecting. For example, for recipients to have been selected for a grant in the first place, they were required, as part of the merit and technical review process, to demonstrate strong project management capabilities. Well-known and recognized best practices in project management include the use of Resource Loaded Schedules to manage projects and Risk Management Plans to manage risks on a *continuous* basis. Thus, DOE is simply asking the recipients to provide copies of data elements they are already collecting and using for their own purposes.

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

This information collected is required by Department of Energy program and project managers as part of the due diligence function to ensure the technical merit of the work being done, to assess progress in achieving scheduled milestones, as well as review of cost information to ensure compliance with the statutes. DOE will collect data on cost and schedule variance, including Budgeted Cost of Work Scheduled (BCWS), Budgeted Cost of Work Performed (BCWP), and Actual Cost of Work Performed (ACWP). In addition, DOE will collect data on progress against project milestones. DOE will also collect information pertaining to the change in existing project risks or new risks. All of the metrics to be collected per this request are listed below:

Field		Definition / Metrics
ACWP	Actual Cost of Work Performed	The cost actually incurred for the work accomplished during the period of performance.
BCWP	Budgeted Cost of Work Performed	Sum of all budgets for all completed work and the completed portions of ongoing work. Total budget for the scope that was actually accomplished during the period of performance.
BCWS	Budgeted Cost of Work Scheduled	Planned accomplishment established in performance measurement baseline.
ETC	Estimate to Complete	Current estimate for the remaining project scope. This is the estimate for all remaining work excluding contingencies.
BAC	Budget at Completion	Sum of all budgets allocated to a project excluding management reserve.
FTE Hours	Full-Time Equivalents Hours	Total number of hours worked on the project in the reporting quarter, including recipient cost-share.
Risk	Risk Management Data	Updates to existing risks identified in the Risk Management Plan or new risks that occur after project start.
Milestones	Key Project Milestones	List of relevant key project milestones and target dates that will allow of coordination of site visits and important public events.

**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.**

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 System (VIPERS) (grant recipients reach this system via <http://finweb.oro.doe.gov/vipers.htm>); and (2) otherwise, be submitted via DOE 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. 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 Office of Electricity (OE) financial assistance grants are newly established programs authorized by the Energy Independence and Security Act of 2007 (P.L. 110-140) and the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). To ease the reporting burden on the recipients, DOE has included only those data elements absolutely needed for program management. Under the provisions of ARRA, grantees will be required to report to OMB as well as DOE. However, the data collected by DOE is not duplicative of that required by OMB. The data being collected by DOE includes project management data and risk management data, jobs created by the recipient share of funds, and key project milestones. None of these data elements are part of the OMB-required reporting.

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

All awardees will be required to submit the monthly data, regardless of their size. There is no practical way to reduce the burden on small businesses without thwarting the transparency and oversight requirements of the ARRA. Small local governments and tribal entities are also subject to the reporting requirements if selected as grantees. While the web-based system should not pose a problem for the local governments, certain tribal entities may have technical difficulties. DOE will provide technical assistance to these tribal entities and has worked closely with their tribal councils and the Bureau of Indian Affairs to ensure that they can comply and will not be penalized for delays due to any technical difficulties they experience.

**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 complete reports to OMB or respond to requests for information on ARRA-funded activities and expenditures. If the information is collected less frequently than monthly, DOE will not be able to adequately track activities and funds status against milestones as necessary, and the ability of DOE to provide adequate project management oversight will be compromised. Furthermore, timely information about the progress of these projects or the implementation of the ARRA 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 resolved right away.

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

There are none. The information collection is being conducted in a manner that is consistent 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 comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE.**

Notice of intent to seek approval of this information collection was published in the Federal Register May, 25, 2010, Vol. 75, No. 100, page 29333. Notice of OE's request for extension of the information collection was published in the Federal Register on June 22, 2010; Vol. 75, No. 140, page 42726. Comments were posted, along with the agency Federal Register notices and a draft of the Reporting Guidance, on the Office of Electricity Website at <http://www.oe.energy.gov/recovery/1285.htm>.

DOE received one comment on the 60-day published notice. The comment was a media inquiry so the DOE response was vetted through Public Affairs and provided on background. DOE also received one comment to the 30-day notice. A consortium of five recipients provided comments stating that they had no issues with either the jobs collection or risk management updates. However, they raised issue with DOE's burden estimate for the PVMS data collection, and provided their own estimate based on their experience with the emergency information collection.

DOE responded to this comment by restating the important of collection PVMS data frequently enough to ensure that corrective actions could be taken in time so that the projects could remain viable. Given the brief life-cycle of 36 months for these projects, and the large amount of funds at stake (in some cases \$200 million), more frequent reporting allows DOE to play a more constructive role in ensuring projects remain on track. DOE has also reassessed the burden hour estimate and made changes (see item 12 below) to reflect the feedback provided in this comment.

The exchanges are attached as a PDF file.

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

No payment or gift has been or will be provided to 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. The transparency requirements of the ARRA are such that awardees must submit certain information for

publication on a government-maintained public-access web site; therefore, confidentiality is not an issue.

**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.**

No questions of a sensitive, personal or private nature are being asked.

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

Grantees will be required to report monthly on programmatic and financial status. It is estimated that the average grantee will spend twelve (12) hours preparing each report:

- Field data collection (3 hours)
- Data assembly and review by project compliance lead (2 hours)
- Data validation by financial oversight organization (1 hours)
- Data review by project-level PMO (1 hours)
- Report review and approval by project executives (1 hours)
- Total Level of Effort (8 hours)

**Please note** that this is an estimate of the *average* burden – project sizes for SGIG range from \$787,000 to over \$500M, so the actual burden for each recipient will vary based on the size of the project.

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

Total number of unduplicated respondents: 138

Reports filed per grantee: 12

Total annual responses: 1,656

Total annual burden hours: 13,248

Average Burden	Per Collection: 8.0
	Per Applicants: 8.0

The estimated time required for DOE project management staff to review each monthly report is one hour.

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

The **average** annual cost burden to respondents is estimated at \$7,500 \* 138 recipients = \$1,035,000 for the first year and \$4,000 \* 138 = \$552,000 for each subsequent year. Please note that the actual costs for each recipient will vary considerably based on the size of the project.

These costs are based on the following assumptions. First, we are assuming that each grant recipient will need to dedicate one personal computer to provide the required reporting. The cost of purchasing and operating a capable PC along with staff time to complete the report during the first year is estimated to be \$3500. Subsequent annual costs are based on an estimate of about \$4000 to maintain the PC and provide staff time – based on the burden hours calculated above - to complete and submit the reports. However, it must be noted that many recipients will likely already have PCs so a new purchase may not be necessary, thus reducing the cost burden on the recipient.

**14. Provide estimates of annualized cost to the federal government.**

1,656 hours (138 monthly reports \* 12 months) @ \$40 an hour = \$66,240. As a result of the impact of the requirements of both the Energy Infrastructure Security Act of 2007 and ARRA on the DOE, the DOE has increased the level of both federal and contractor support to carry out these new programs. This estimate reflects the resources estimated to be needed to process and analyze the data being reported by recipients.

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

The burden estimate has been revised higher based on the feedback received in the comment to our FRN. Please note that the burden estimate calculated by the commenter reflects the experience of several multi-million dollar grantees (\$20M-\$200M in size), whereas OE's revised estimate reflects an average burden for all of our grantees, including many small recipients under \$10M. We expect the burden for smaller recipients to be significantly smaller than the larger ones and our estimate reflects that assumption.

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

NA – no plans to publish results

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

NA – DOE is not seeking approval not to display expiration date.

**18. Explain each exception to the certification statement identified in item 19 of OMB form 83-I.**

NA – no exceptions are being requested.