

Supporting Statement for Paperwork Reduction Act Submissions
EMERGENCY REQUEST
Information Requirements for Exploration Plans, Development and Production Plans, and
Development Operations Coordination Documents on the OCS NTL
OMB Control Number 1010-NEW
OMB Expiration Date: xx/xx/xxxx

Terms of Clearance: None

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i) (iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When employing statistical methods, Section B of the Supporting Statement must be completed. The Office of Management and Budget (OMB) reserves the right to require the submission of additional information with respect to any request for approval.

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 Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 et seq. and 43 U.S.C. 1801 et seq.), authorizes the Secretary of the Interior (Secretary) to prescribe rules and regulations to administer leasing of the OCS. Such rules and regulations will apply to all operations conducted under a lease. Operations on the OCS must preserve, protect, and develop oil and natural gas resources in a manner that is consistent with the need to make such resources available to meet the Nation's energy needs as rapidly as possible; to balance orderly energy resource development with protection of human, marine, and coastal environments; to ensure the public a fair and equitable return on the resources of the OCS; preserve and maintain free enterprise competition; and ensure that the extent of oil and natural gas resources of the OCS is assessed at the earliest practicable time. Section 43 U.S.C. 1332(6) states that "operations in the outer Continental Shelf should be conducted in a safe manner by well-trained personnel using technology, precautions, and techniques sufficient to prevent or minimize the likelihood of blowouts, loss of well control, fires, spillages, physical obstruction to other users of the waters or subsoil and seabed, or other occurrences which may cause damage to the environment or to property, or endanger life or health."

To carry out these responsibilities, the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEM) (formerly the Minerals Management Service) issues regulations to ensure that operations in the OCS will meet statutory requirements; provide for safety and protect the environment; and result in diligent exploration, development, and production of OCS leases. In addition, we also issue Notices to Lessees and Operators (NTLs) that provide clarification, explanation, and interpretation of our regulations. These NTLs are also used to convey purely

informational material and to cover situations that might not be adequately addressed in our regulations. The latter is the case for the information collection required in the attached NTL. Because of the unusual nature of this information collection, issuing an NTL would be the appropriate means to collect the information at the time of the event.

The subject of this information collection request (ICR) is an NTL based on the recommendations in the May 27, 2010, Report from the Secretary of the Interior to the President of the United States, Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report). The BOEM is issuing this NTL for operators to comply with the requirements and recommendations of the report as a result of the Deepwater Horizon oil spill in the Gulf of Mexico. The primary information collection for this regulation is 30 CFR 250, Subpart B approved under the Office of Management and Budget (OMB) Control Number 1010-0151. However, in connection with this subpart, BOEM believes that the burden in the NTL is in addition to those currently approved.

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.]

As stated in the NTL, on April 20, 2010, an event of national significance that included the deaths of 11 people continues to harm the marine ecosystem, wildlife, and property along the Gulf Coast. Although the causes are still under investigation, these events highlight the importance of ensuring safe operations on the Outer Continental Shelf (OCS).

The BOEM will use this information, as well as other information and analyses, to comprehensively assess what changes may be needed to program-wide requirements and to review the data submitted to analyze future activities under Exploration Plans (EPs), Development and Production Plans (DPPs), and Development Operations Coordination Documents (DOCDs).

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].

Currently, 75 percent of all information pertaining to 30 CFR 250, Subpart B is submitted electronically. However, because of the various types of information submitted with the plans (maps, surveys, spreadsheets, etc.), some of the submission may not readily lend itself to electronic commerce. In some instances, paper copies of the non-proprietary information submitted in the plans and accompanying information may continue to be necessary for review by States, local governments, and the public.

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.

The information collected will be unique to each operator, owner, and/or lessee. Similar information is not available from other sources. Where needed, Memoranda of Understanding between agencies

are effective in avoiding duplication of regulations and reporting requirements with respect to activities in the OCS.

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

This collection of information may have an economic effect on a number of small entities. Any direct effects primarily impact the OCS lessees and operators. Many of these OCS lessees and operators have less than 500 employees and are considered small businesses as defined by the Small Business Administration. The emergency situation in the Gulf of Mexico requires this collection of information; therefore, the hour burden on any small entity subject to these NTLs, requirements, and regulations cannot be reduced to accommodate them.

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.*

If BOEM did not collect the information, we could not determine whether lessees, owners and operators are properly providing for the safety of operations and the protection of the environment and resources. The information is necessary to carry out the mandate of the OCS Lands Act.

7. *Explain any special circumstances that would cause an information collection to be conducted in a manner:*

(a) requiring respondents to report information to the agency more often than quarterly.

Not applicable in this collection.

(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

Not applicable in this collection.

(c) requiring respondents to submit more than an original and two copies of any document.

The number of copies of plans and accompanying information respondents are required to submit varies depending on the location of the proposed activities. The BOEM is currently under a mandated timeframe to review and make decisions on these plans. The plans and accompanying information can be and usually are quite complex, voluminous, and detailed. They can include maps, surveys, spreadsheets, etc. Several program areas within BOEM must review the information simultaneously to meet the mandated timeframe. If BOEM had to reproduce the necessary copies for its internal reviews, it would be extremely difficult, if not impossible, to meet the deadlines imposed by the OCS Lands Act, as amended. Therefore, in all cases, respondents must submit five “proprietary” copies of their plans. In addition, the OCS Lands Act also requires we make non-proprietary (public information) copies available for simultaneous review by State and local government entities. Depending on the State(s) involved, BOEM needs from 3 to 17 public information copies to distribute to the States and local governments having an interest in the project, as well as a copy to make available for the general public to review.

(d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years.

It is also necessary that respondents retain data and information longer than 3 years. Much of the supporting information should be retained for the duration of the project. However, this type of information is such that respondents would be very unlikely to dispose of it sooner. It contains valuable background data and analyses that they would not want to have to duplicate should it be needed during the life of the exploration or development and production project.

(e) 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.

Not applicable in this collection.

(f) requiring the use of statistical data classification that has been reviewed and approved by OMB.

There are no special circumstances with respect to 5 CFR 1320.5(d)(2)(v) through (viii) as the collection is not a statistical survey and does not use statistical data classification.

(g) that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.

This collection does not include a pledge of confidentiality not supported by statute or regulation.

(h) requiring respondents to submit proprietary trade secrets or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

This collection does not require proprietary, trade secret, or other confidential information not protected by agency procedures.

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 3 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.

We have not made any formal consultations due to time constraints. Our estimate of the annual burden hours is based on a few informal conversations with oil and gas industry representatives and our experience with similar documentation requirements and reports submitted to BOEM. We have requested a waiver of the 60-day and 30-day public notices.

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

The BOEM will not provide payment or gifts to respondents in this collection.

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

We protect proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and its implementing regulations (43 CFR 2), 30 CFR 250.197, Data and information to be made available to the public for limited inspection, and 30 CFR 252, OCS Oil and Gas Information Program.

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.

The collection does not include sensitive or private questions.

12. Provide estimates of the hour burden of the collection of information. The statement should:

(a) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

(b) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.

Potential respondents comprise approximately 130 Federal oil and gas OCS lessees and operators. We expect to receive 517 responses from the lessees and operators. Submissions are on occasion. We estimate the total annual reporting and recordkeeping burden is 7,755 annual burden hours (517 responses x 15 hours per response = 7,755 annual burden hours).

(c) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

The average respondent cost is \$90/hour (rounded). This cost is broken out in the below table using the Bureau of Labor Statistics data for the Houston, TX area*. See BLS website: <http://data.bls.gov/cgi-bin/dsrv?nw>.

Position	Level	Hourly Pay	Hourly rate	Percent of time	Weighted
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		rate (\$/hour estimate)	including benefits (1.4 x \$/hour)	spent on collection	Average (\$/hour)
Secretaries and Administrative Assistants	5	\$19	\$27	5%	\$1
Petroleum Engineer	All Workers	\$69	\$97	80%	\$78
Environmental scientists and geoscientists	All Workers	\$52	\$73	15%	\$11
Weighted Average (\$/hour)					\$90

* Note that this BLS source reflects their last update from December 2008.

**A multiplier of 1.4 (as implied by BLS news release USDL 10-0283, March 10, 2010 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

Based on a cost factor of \$90 per hour, we estimate the total annual cost to industry is \$697,950 (\$90 x 7,755 hours = \$697,950).

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).

(a) The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life) and (2) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

(b) If cost estimates are expected to vary widely, agencies should present ranges of cost burden and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

(c) Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

We have identified no reporting and recordkeeping non-hour cost burdens for this collection of 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 average government cost is \$68/hour. This cost is broken out in the below table using the current Office of Personnel Management salary data for the REST OF THE UNITED STATES (<http://www.opm.gov/oca/10tables/>).

Position	Grade	Hourly Pay rate (\$/hour estimate)	Hourly rate including benefits (1.5* x \$/hour)	Percent of time spent on collection	Weighted Average (\$/hour)
Secretary	GS-7/5	\$21	\$32	5%	\$2
Petroleum Engineer	GS-13/5	\$44	\$66	70%	\$46
Petroleum Engineer	GS-14/5	\$53	\$80	25%	\$20
Weighted Average (\$/hour)					\$68

* A multiplier of 1.5 (as implied by BLS news release USDL 10-0283, March 10, 2010 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

To analyze and review the information respondents will submit for these requirements, we estimate the Government will spend an average of approximately 7 hours for every submittal for a total of 3,619 hours (517 submittals x 7 hours = 3,619). Based on a cost factor of \$68 per hour, the total annual estimated burden on the Government is \$246,092 (3,619 hours x \$68 = \$246,092).

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

This IC request is a new submission to obtain information. The reporting hour burden for this new collection constitutes a program increase of 7,755 burden hours.

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 BOEM will not publish the data.

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 expiration date of the OMB approval on each NTL.

18. Explain each exception to the certification statement, Certification for Paperwork Reduction Act Submissions.

To the extent that the topics apply to this collection of information, we are not making any exceptions to the Certification for Paperwork Reduction Act Submissions.