

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION
UNDER 5 CFR PART 1320 INFORMATION COLLECTION**

**PANAMA CANAL EXPANSION STUDY (PCES) OUTREACH PROGRAM AND
SUPPLY CHAIN CONSORTIUM SURVEY (2133-New)**

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 U.S. Department of Transportation (DOT) and Maritime Administration (MARAD) have commissioned a study to examine the anticipated economic and infrastructure impacts of the Panama Canal Expansion on U.S. ports and port-related freight transportation infrastructure. The Panama Canal Expansion Study (PCES) is being conducted to examine and assess a full range of impacts on U.S. ports, waterways, and intermodal freight systems. Ultimately, the study results will provide recommendations and investment options for consideration by DOT and MARAD to optimize the greatest potential benefits from the Panama Canal Expansion for the Nation's overall Transportation System.

Expansion of the Panama Canal will require new capital investments in transportation infrastructure by both the private and public sectors. The size, location and timing of these investments will depend on how various stakeholders believe that global trade patterns, vessel operations, import and export flows, logistics support systems and port and land-side capacity will be re-configured to accommodate the larger vessels and increased capacity of the Panama Canal in a post-2015 operating environment. A wide variety of stakeholders will potentially be affected by decisions and policy that will be implemented by DOT and MARAD to respond to and coordinate with both other public sector and private investment strategies and development plans for transportation infrastructure. Each of these stakeholders has a particular set of perspectives and a highly unique set of information upon which they are basing their own investment and operational responses to the Panama Canal expansion. Moreover, there is a wide diversity of opinions on which ports, trade lanes, land-side infrastructure and commodities will be affected by this expansion.

This information collection proposes implementation and execution of a robust stakeholder Outreach Program that will serve as a major segment of the overall study effort. The Outreach Program is intended to gather factual data that will help MARAD assess the likely effects of the Panama Canal expansion on trade flows to and from different regions for various commodities. The Outreach Program consists of one-on-one interviews, surveys and public listening sessions with various transportation stakeholders and other interested public entities. Approval of this information collection will enable MARAD to execute such outreach activities and provide appropriate venues for stakeholders to express their views on how their interests might be impacted by the expansion.

This proposed information collection ties directly into the Economic Competitiveness element of the DOT Strategic Plan, as the relationship between the expanded Panama Canal will directly affect and potentially enhance the transit of goods through the nation's intermodal connections and between countries worldwide. This information is being collected under the authority listed in 46 U.S.C. § 50103, 50104 and 50108.

The Outreach Program will consist of three elements:

- a) Listening Session (Information on the Listening Session has been included for information and background purposes only and is not part of the information collection approval process.)
- b) One-on-One Stakeholder Interviews
- c) A survey of beneficial cargo owners (Supply Chain Consortium Survey)

a) Listening Session

A Listening Session is planned to be held in Washington, DC in the Fall of 2012 to provide a forum for a wide variety of stakeholders to present their views on the issues that MARAD should consider in the development of this study and the kinds of information that MARAD should use to assess the infrastructure requirements associated with future trade involving the Panama Canal. MARAD will use feedback in providing insights to interviewers for the stakeholder one-on-one interviews, and assuring that topics important to stakeholders are addressed in the appropriate documents being produced as part of the PCES report series.

b) One-on-One Stakeholder Interviews

One-on-one interviews will be conducted with up to 30 key executives from port maritime community to identify their specific plans, investment strategies, and perspectives concerning the trends that are the subject of the study. The purpose of these one-on-one interviews will be to provide pre-expansion assessments of commodity, mode and industry-specific information about markets, costs, and logistics changes anticipated by these stakeholders once the Panama Canal expansion is completed in 2015. The results of these interviews will be summarized and presented to MARAD for review and evaluation before being incorporated into one of a series of reports developed for this project.

Exhibit 2 (including the attached Interview Guide) provides an example of the range of topics to be discussed with ports and port operators. Questions proposed for one-on-one interviews will address issues of infrastructure capacity, capital investment strategies, and market development and risks. Because these topics vary widely from stakeholder group to stakeholder group, the interviews will be structured in a topical format with the burden for assimilation and integration being placed on the contractor's technical staff involved in preparing the summaries. Information collected through the interview process will be used to verify, and where available and appropriate, validate various technical assumptions included in the quantitative analysis used in the on-going PCES.

c) Survey of Shippers Via Web-based Responses

In the world of shipping and moving freight, perceptions often outweigh the facts and current reality in the minds of the shipper (the Beneficial Cargo Owner - BCO) when making decisions regarding their supply chain distribution networks. Based on several other Goods Movement Studies for various governmental bodies in the United States, the PCES study

team has discovered that the expansion of the Panama Canal is now just starting to be addressed by the BCOs. The BCOs are also reviewing and, in many cases, changing their sourcing and distribution networks based on the current economy and the explosion of commerce in China, India and Asia in general.

To get a better sense of how shippers intend to respond to shipping options available to them when the Panama Canal expansion opens in 2015, we intend to conduct an on-line survey of firms that are members of the Supply Chain Consortium (SCC, or Consortium) – an organization of 2,516 firms directly involved in shipping and logistics management. The intent of surveying the membership of this organization via a web-based tool is to garner as much information as possible regarding the current thought processes being used by the BCO's to determine the potential changes to their logistics networks and how they are likely to respond to the potential for the expanded Panama Canal to affect their costs and related routing strategies. The SCC was formed to facilitate collecting and maintaining data regarding best practices from their members on a wide variety of topics, including routing and port selection processes. As a prerequisite for membership, SCC members agree to enter data into a database regarding their current and future operations and to also actively participate, when applicable, in periodic studies and surveys from the membership.

For this effort, we intend to poll (via the web survey tool) each of the 2,516 firms who are members of the SCC. We will also conduct a database search on the approximately 17,000 data points in the Consortium's databank for directly applicable data pertaining to their routing of cargo through the Panama Canal. Since this information is proprietary, the survey must protect the confidentiality of the participants by not requesting specific routing data but by seeking the basis of their decisions (cost of transportation, time value of goods, distribution strategies, etc.) and having them relate those criteria to a potential (or in some cases, existing) Panama Canal routing strategy. The results of the SCC Survey will be tabulated and a summary of the information—including tabulated data through the survey responses, the database query, and follow-up interviews—will be created as a final work product. Upon delivery and acceptance by MARAD, the data files containing individual survey responses will be deleted by the contractor.

Measures of cost response developed in the survey, as well as decision-making characteristics of respondents and comments developed through the survey, will be made available for use in the quantitative analysis supporting the PCES in reports produced in Phases 2 and 3 of the technical work program. It is important to note that this process of polling should not be construed as a statistically valid survey as membership in the SCC strongly encourages participation but does not require it.

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.

As stated in Item 1 of this Supporting Statement, DOT and MARAD will undertake this information collection through the execution and implementation of Outreach Program. The information obtained through the stakeholder outreach activities will help the agency assess

the likely effects of the Panama Canal expansion on trade flows to and from different regions for various commodities.

Results of the **Listening Session** will serve two purposes: First, the Listening Session will provide a way for key stakeholders from throughout the nation to make their concerns and issues regarding Panama Canal expansion and its potential effects on U.S. freight transportation infrastructure known. The Listening Session will focus in on those stakeholders with the most potential to be affected by changes in trade patterns and volumes (both import and export) precipitated by the Panama Canal expansion. Second, the Listening Session will be used to inform MARAD policy-makers concerning the overarching issues and concerns of stakeholders regarding infrastructure investment strategies related to the pending expansion project, and will also be used by the PCES project team to develop and refine the information presented in the interim reports developed for the PCES. As previously stated, information regarding the proposed Listening Session is provided for background informational purposes only and should not be considered as a part of the information collection request for OMB approval.

One-on-one interviews are designed to develop industry, commodity and trade lane information from specific stakeholders with regard to the ways that they anticipate Panama Canal expansion affecting their operational decisions leading up to and after 2015. This information will be used in validating the technical analysis supporting interim technical reports developed for the PCES and will be used in conjunction with other outreach products and materials to give MARAD decision-makers insight into how these stakeholders may respond to market conditions and the effects of infrastructure investments on changes in market access, delay reduction and reliability improvements in logistics operations related to Panama Canal expansion.

Shippers are seriously looking at opportunities represented by Canal expansion for modifying their respective supply chains and making decisions, based upon available data, as to how to restructure their sourcing and routing of the distribution network for their products and goods. The **Supply Chain Consortium Survey** will provide MARAD and the study team with information on why shippers would or would not use the Canal as a significant part of their supply chain, their price sensitivity, especially regarding decisions to move certain commodity groups either through U.S. West Coast, East Coast, or Gulf Coast ports, and which inland transportation system criteria are instrumental in their decisions. This information will be summarized for reference by MARAD and for documentation in the technical reports, and will be used in estimating the likely changes in freight traffic flows between West Coast, Gulf Coast, and East Coast ports, as part of the technical analysis developed for Phases 2 and 3 of the Study. The survey results will also provide insights to shippers' perspectives on, and their knowledge about and importance they attribute to key elements in their routing decision processes.

This survey is designed to provide a qualitative and very rough quantitative sense of shippers' expectations and likely reactions. MARAD does not expect the survey to produce detailed data on changes in cargo volumes moving through specific ports.

- 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. Also describe any consideration of using information technology to reduce burden.**

The data collection for the Supply Chain Consortium Survey will be administered through Zarca, an interactive, web-based, online survey tool. All results will be compiled electronically as well as the database query and results of the one-on-one interviews. Plans are underway to webcast the Listening Session to allow participation nationwide.

- 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.**

For the Supply Chain Consortium Survey, the intent is to add to existing knowledge about BCO practices and operations, and not duplicate or replace the significant amount of information already received through other studies and activities of the Supply Chain Consortium – the organization whose members will participate in this survey. The survey will be conducted by Tompkins Associates. The Supply Chain Consortium is a source for supply chain benchmarking and best practices knowledge from retail, manufacturing and wholesale/distribution companies, as well as shippers and freight forwarders who are part of the Tompkins' client base that actively participate in this type of survey several times each year. Members of the Consortium participating in the survey will have the opportunity to either update their information or provide new information based on recent changes to their sourcing and supply chain distribution networks due to the economy or other recent activities. However, several of the members will have recently provided recent and pertinent data to the Consortium's database that will be queried and used as part of this effort.

MARAD will seek to coordinate outreach within the agency as well as with other Federal agencies to minimize duplicate efforts for the PCES. One-on-one interviews will be coordinated with the public Listening Session, to the extent possible given the schedules of interviewees.

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

The Supply Chain Consortium Survey is being administered strictly through electronic means, completely eliminating the need for paperwork from any prospective participant. Furthermore, substantial programming logic has been employed, so that each individual is only being asked questions that are pertinent to his or her specific situation.

For those portions of the Outreach Program involving the Listening Session and one-on-one interviews, several methods are being used to minimize the burden on small businesses or other small entities. First, the Listening Session will take place in Washington, DC and will include a web-enabled element to provide organizations with the ability to choose how they

participate within their time constraints. Second, we will provide the option of telephone interviews for the one-on-one interviews, should a participant not be available for an in-person meeting.

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 the burden.

Recommendations concerning the implementation of federal policy related to investments in U.S. port and related infrastructure, and the effects of these investments on U.S. import and export volume and competitiveness will be informed by the study, of which the entire Outreach Program – the Listening Session, one-on-one interviews and the Supply Chain Consortium Survey – are key parts.

The Listening Session will provide invaluable opportunities for MARAD officials and staff to hear directly from stakeholders about their concerns and issues relative to the Panama Canal expansion on their future operations, and on the investment needs as they see them from a user’s perspective. This session will also provide a way to gather important information and perspectives that can best be developed through an interactive, group process.

The one-on-one interviews are a unique opportunity to discuss markets, costs and strategic responses directly with key stakeholders. Typically, these topics are not discussed in a public and open forum. Thus, the proposed one-on-one interviews will significantly enhance the quality and depth of information available to MARAD in support of the technical analysis and recommendations for the PCES. Because all of these efforts will be documented, they will be available both as project resources, and as independent documentation showing the level and significance of the public engagement conducted by MARAD for this study.

The survey will indicate how shippers expect to react to changes in costs as a result of the Panama Canal expansion. Although preliminary studies have identified key areas of price sensitivity, the survey will provide better information on how the shippers themselves expect to react to changing costs. What shippers say they plan to do in response to changing circumstances is not necessarily a guide to what they will do, but it can provide a guide to what changes might be expected to occur. These data in turn will provide U.S. DOT with information that will allow it to target infrastructure investment funding at ports and inland connectors that are most likely to experience capacity constraints in the absence of increased funding.

This survey is designed to determine where the geographic “break-points” are (i.e., the geographic points at which a shipper will choose to ship by land across the United States rather than by water through the Panama Canal), and these “break-points” are highly sensitive to cost and service parameters. Without information collected directly from shippers and forwarders through the Supply Chain Consortium Survey, recommendations being formulated for MARAD and DOT officials regarding the Panama Canal expansion will be based on assumptions about price response of the shipping community, rather than

directly developed information from the shippers themselves.

7. Explain any special circumstances that would affect the manner of information collection.

There are no special circumstances that require the collection of information to be conducted in a manner described above.

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 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 record-keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three 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.

The Federal Register Notice (76 FR 67250) with a 60-day comment period soliciting comments on the PCES Outreach Program was published on October 31, 2011, and comments were due by December 30, 2011. As such, no comments were received. A copy of the Federal Register Notice is attached as Exhibit 4. (The total number of response hours reported in the prior Federal Register Notice was 4,075 hours. This number was decreased to 606 hours in the subsequent Federal Register Notice (77 FR 12107) dated February 28, 2012 due primarily to a decrease in the number of Listening Sessions from five (5) to one (1) and a change in the number of one-on-one interviews to be conducted from eighty to thirty. The final number of response hours has been further reduced to 133, as noted in the Response Requirements (Requested Hours) column in Table 2, which is located as a part of the response to Question 12.

This change reflects the exclusion of burden hours that were attributable to the Listening Session, and for some of the burden hours that were assigned to the Supply Chain Consortium Survey. (It is noted the burden hours requested in the Federal Register Notice dated February 28, 2012 previously allocated time for all 2,516 potential respondents to the Supply Chain Consortium Survey. However, the current request only includes burden hours for the ten percent (10%) of the potential respondents that are expected to participate in the Supply Chain Consortium Survey.)

Consultations have been undertaken with the U.S. Department of Transportation's Research and Innovative Technology Administration and other federal agencies (e.g., the U.S. Army Corps of Engineers, etc.) to coordinate the outreach and interview elements of this Outreach Program. A review and assessment of existing publicly available information on price response and other information being requested in the Supply Chain Consortium Survey has already been completed as part of the technical analysis conducted under the Phase 1 work program for the PCES. Based on these studies and consultations, MARAD has determined that the availability, disclosure and reporting of the kinds of information to be developed through this Outreach Program are not generally available.

The only aspect of this Outreach Program that required pre-consultation is the involvement of managers of the Supply Chain Consortium Survey and preliminary testing of the Supply Chain Consortium instrument. This involved a review of the structure and prototype pre-testing as described below. The final version of the survey will be distributed to firms that are current members of the Supply Chain Consortium administered by Tompkins Associates. Related surveys are conducted by Tompkins several times each year that examine issues of concern and interest to the Consortium members. The design and structure of the survey tool, the types of questions being asked, and the format and methods of response have been the subject of consultation, feedback and continuous improvement through direct dialogue with the designers of the survey listed in Part B. Item (e) below.

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

No payments or gifts 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.

This data collection effort involves collecting information through the Listening Session, the one-on-one interviews and the Supply Chain Consortium Survey.

Listening Session

The Listening Session will be conducted as an open public forum where specific topics and issues will be presented and discussed in a group setting. Results of the Listening Session will be compiled and presented in a summary report to MARAD for further review and incorporation into the overall Study effort.

One-on-One Interviews

One-on-one interviews will be undertaken with key stakeholders to obtain industry specific data and information to help inform the Study effort and validate some of the preliminary findings. The one-on-one interviews will be undertaken in a private setting and a summary of the discussions will be drafted for evaluation by MARAD and supporting technical staff and contractors. MARAD will not release the information obtained during this process to the

public. Each interviewee will be advised that the summary of the interview may be obtained through public information requests authorized under the Freedom of Information Act (5 U.S.C. § 552, *et seq.*). MARAD is not collecting confidential business information and can only protect information provided to the extent that it satisfies the provisions under 5 U.S.C. § 552(c)4.

Supply Chain Consortium Survey

The administrators of the Supply Chain Consortium Survey – Tompkins Associates, have a contractual agreement with its members and this agreement prohibits revealing the identity of any survey respondents. The only personally identifiable information associated with each response will be a code indicating which firm is responding to the on-line survey instrument. This code exists for purposes of tracking responses and will be deleted from the final survey data file used for tabulating responses once the on-line survey is completed by the responding firm and the responses have been verified as complete by the contractor managing the survey effort. The contractor conducting the survey will provide a summary of tabulated data as a final work product, and, once delivered and accepted by MARAD, the data file containing firm responses will be deleted.

Release of the data will not jeopardize the competitive position of any responding organization. Further, MARAD will not have access to the names of respondents that participate in the survey, nor will those names appear individually in any tabulation or publication. MARAD is not collecting confidential business information and can only protect information provided to the extent that it satisfies the provisions under 5 U.S.C., § 552(c)4 .

- 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.**

There are no questions of a sensitive 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. 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 burden and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in item 13 of OMB Form 83-I.

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 total time burden for all elements of the proposed Outreach Program – the one-on-one interviews and the Supply Chain Consortium Survey – is estimated to be 133 hours and is summarized in Table 1.

Table 1 – Summary of Time (Hour) Burdens for Outreach Participants

Summary	Total Hours Requested	Percent of Total
Stakeholder Interviews	49	36.84%
Shippers Survey - Supply Chain Consortium	84	63.16%
Total Burden	133	100.00%

All time devoted to this outreach program by the public is voluntary. It is estimated that the collection of this information will take place over a period of (1) one year. A detailed estimate of the time burdens for each of the elements of the proposed Outreach Program is provided in Table 2.

a) Stakeholder Interviews – 49 hours

The stakeholder interviews are expected to involve up to 30 separate one-on-one interviews of approximately 97 minutes each (see Exhibit 2). This is expected to amount to a total of 49 hours of interviews – roughly 36.84% of the total time burden for the entire Outreach Program.

b) Supply Chain Consortium Survey – 84 hours

Finally, the Supply Chain Consortium Survey is expected to require a total of approximately 84 hours and is also the most flexible, as individuals filling out the on-line survey may pause, save and resume taking the survey as their schedules allow. This part of the Outreach Program will use nearly 63.16% of the Outreach Program’s expected time burden.

The nature of the questions included in the Supply Chain Consortium Survey (see Exhibit 3) is largely opinion-based and as mentioned earlier, does not entail the collection or

assimilation of hard data. Unless voluntarily undertaken by the respondent (as in the pre-test, described below) the Supply Chain Consortium Survey will require almost no time to gather information as part of completing the survey process. The survey is being sent to a highly-targeted group of approximately 2,516 firms within the private sector, none of whom are under any obligation to complete the survey.

c) Response Rate

Member firms in the Supply Chain Consortium represent companies responsible for generating over \$2.3 trillion in gross revenues each year. These firms include most of the largest shippers, manufacturers and logistics firms in the U.S. The distribution of firms by size, the total number in each size category is shown in Table 3. An overall response rate of 10% is anticipated. Larger firms that set the patterns of international shipping will be identified and contacted directly to solicit their responses to the survey. We have targeted firms representing 30% of the \$2.3 trillion in aggregate SCC gross revenue (over \$5 billion in firm revenue) for direct contact.

We estimate that respondents will represent firms that comprise up to 80% of these gross revenues, and that nearly 35% of respondents will represent firms with over \$1.0 billion in annual gross revenues.

Responses will be solicited through e-mails and electronic communications that are routinely used by Tompkins Associates in soliciting survey responses. In addition, we will notify each of the employees registered with Tompkins as representatives of their respective firms (approximately 4,500 people) about the survey, its importance, and its relevance to their own decision-making. The software and systems used by Tompkins will assure that a single response is provided by each company responding to the survey, avoiding duplication of effort.

Members of the Supply Chain Consortium will be notified of the survey by e-mail. Based on the relevancy of the study to their operations and past experience, this level of communications is expected to yield responses from 10% of all companies in the Supply Chain Consortium. Larger companies responsible for the greatest revenue generation, and with more resources and greater volumes of traffic involved in import and export shipments, are likely to respond in greater proportions than those with only domestic shipments. However, all responses will be entered into the database and used in our analysis.

Some of the largest member firms – those with more than \$5 billion in gross revenues will be contacted directly by Tompkins Associates. These firms – especially the ten to twelve largest – establish the standards and make the market for international shipping. In addition, key shippers in each of the revenue classes listed in Table 3 will be contacted directly regarding their participation, and tracking, follow-up and post-response contacts will be made to assure the most representative response possible from the Supply Chain Consortium member firms.

d) Factors Influencing Response Times

Based on our pre-tests, the majority of respondents will spend an average of approximately 13.5 minutes completing the survey, and the time to complete should not vary materially between respondents, however, taking a conservative approach, MARAD uses an estimate of 20 minutes in its burden disclosure statement on the survey and in its burden calculation in the supporting statement. Firms in this group are involved in export, import or both types of shipping, and are unlikely to need to consult internal data sources to respond to the survey.

Ten percent (10%) of respondents are expected to require less than 5 minutes to complete the survey. This group, which is not involved in either exported or imported shipments, will only need to complete a small portion of the survey.

Those who may desire to use readily available data (estimated from the pre-test to be as many as 15%) may require as much as 20 minutes responding to the on-line survey. The use of, or reference to, readily available data is not required for the survey and is entirely voluntary. It and depends on the familiarity of the respondent with their organization's shipping patterns. However, as a whole, it is expected that completion of the Shipper Survey will take an average of 13.5 minutes. Taking a conservative approach, MARAD uses an estimate of 20 minutes in its burden disclosure statement on the survey and in its burden calculation in the supporting statement.

e) Verification of Time Estimates

The estimates of time burden for the Supply Chain Consortium Survey were assessed by both pre-testing and by making realistic assumptions of the representation of various types of respondents (e.g., those who are most likely to fill out the entire survey and those who are most likely to fill out only a portion of the survey). As described in Part B, the pre-testing consisted of tracking the time required by a variety of testers. This included staff from the survey developers who were not involved in design of the survey, each of whom has been asked to assume one or more "roles" of exporter, importer, domestic shipper, or multi-commodity shipper, and nine members of the Supply Chain Consortium who were solicited and volunteered to pre-test the survey instrument based on knowledge of their own industry and company.

Table 2 – Estimated Time Burden for Each Element of the Proposed PCES Outreach Program

Program Elements	Estimated Number of Respondents <i>(See Note 1)</i>	Response Requirements (Minutes: Max)	Response Requirements (Minutes: Total) <i>(See Note 2)</i>	Response Requirements (Hours) <i>(See Note 3)</i>	Response Requirements (Requested Hours) <i>(See Note 4)</i>	Percent of Outreach Burden
Shippers Survey:						
Supply Chain Consortium	252	20	5,040	84.00	84	63.16%
Stakeholder Interviews	30	97	2,910	48.50	49	36.84%
Total: (All activities)	282		7,950	132.50	133	100.00%

Notes:

Note 1: The number of respondents is 2,516 and the expected response rate for the Shippers Survey is ten percent (10%). The resulting number of estimated respondents (251.6) has been rounded to the nearest whole number (252) which is reflected in the chart above.

Note 2: Response Requirements Minutes: Total = [Estimated Participants * Response Requirements (Minutes: Max)]

Note 3: Response Requirements (Hours) = [Response Requirements Minutes: Total/60]

Note 4: Response Requirements (Requested Hours) = [Response Requirements (Hours)] rounded to the nearest whole number.

Table 3 – Number of Companies by Revenue in Supply Chain Consortium

Revenue	Representation (by percentage)	Number of Companies
Top 10	0.4%	10
>\$20B - \$45B	0.7%	18
>\$10B - \$20B	1.4%	34
>\$5B - \$10B	2.1%	52
>\$1B - \$5B	3.8%	95
\$250M - \$1B	14.7%	370
<\$250M	59.7%	1,502
Privately Held	17.3%	435
		2,516

Revenue	Representation (by percentage)	Number of Companies	Collective Revenue (in Billions)	Gross Revenues (by % of \$2,330 Billion)	Gross Revenues (Cumulative Percentage)	Expected Response Rate
Top 10	0.4%	10	\$ 551.9	23.7%	23.7%	100%
>\$20B - \$45B	0.7%	18	\$ 453.9	19.5%	43.2%	90%
>\$10B - \$20B	1.4%	34	\$ 570.9	24.5%	67.7%	75%
>\$5B - \$10B	2.1%	52	\$ 363.3	15.6%	83.3%	35%
>\$1B - \$5B	3.8%	95	\$ 244.4	10.5%	93.8%	30%
\$250M - \$1B	14.7%	370	\$ 116.3	5.0%	98.8%	10%
<\$250M	59.7%	1,502	\$ 27.9	1.2%	100.0%	5%
Privately Held	17.3%	435	\$ -			10%
		2,516	\$ 2,328.5			10%

Percent of Total Revenue (not including privately held firms) - Source: Tomkins Associates, Inc., 2011.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in items 12 and 14).

There are no annual cost burdens to respondents or record keepers resulting from their decisions to participate in either the Supply Chain Consortium survey or the one-on-one interviews. No information that is not already available to respondents is required to respond to the questions in the survey (Exhibit 3) or those include in the interviews (Exhibit 2 and the attached Interview Guide).

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.

There will not be a recurring annualized cost to the Government. This is a one-time effort to undertake an Outreach Program designed to provide the public and interested stakeholders with a structured means of providing significant input to the development of investment policy. The costs for contractor support for the Listening Session, the Supply Chain Survey and the one-on-one interviews is \$94,923.00 and is based on costs developed from the GSA schedule under the MOBIS procurement program. Federal Government costs are \$3,748.32, as noted in Table 4.

The Supply Chain Consortium Survey effort involves costs associated with developing and fielding an on-line survey of Supply Chain Consortium members and other participating shippers from current and previous clients of Tompkins Associates. Membership in the Consortium includes the responsibility to participate in polls and surveys of this nature as the results become part of the Consortium's database of best practices and benchmarking. Non-member participants may receive, at their request, a summary report of the survey results at no cost to them or the Government.

Table 4 – Estimated Costs for Outreach Support

Contractor Costs				
Outreach Plan Element	Hours	Labor Costs	Expenses	Total Costs
One-on-One Interviews	406	\$74,934.00	\$0.00	\$74,934.00
SCC Shippers Survey	120	\$18,989.00	\$1,000.00	\$19,989.00
Total Estimated Costs/Hours	526	\$93,923.00	\$1,000.00	\$94,923.00
Federal Government Costs				
	Hours	Labor Costs (Hourly Rate)	Overhead (85% of Labor Costs)	Total Costs
Administrative staff member (GS-7, Step 1)	24	\$20.22	\$17.19	\$897.84
Technical staff member (GS-9, Step 1)	24	\$24.74	\$21.03	\$1,098.48
Technical staff member (GS-12, Step 4)	24	\$39.46	\$33.54	\$1,752.00
Total Estimated Costs/Hours				\$3,748.32
Contractor Costs				\$94,923.00
Federal Government Costs				\$3,748.32
Total Costs				\$98,671.32
Notes:				
Contractor Costs: Total Costs = Labor Costs + Expenses				
Federal Government Costs: Total Costs = Hours * (Labor Costs + Overhead [0.85 * Labor Costs])				
Labor costs for the Federal Government staff members were obtained from the Office of Personnel Management's pay rates for the Washington, DC locality area. The table of hourly rates is available online at the following website: http://www.opm.gov/oca/11tables/html/dcb_h.asp .				
The administrative staff member will assist the technical staff members in the preparation of the materials for the One-on-One interviews and the background preparation and review of the SCC Shippers Survey. The technical staff members will work with the contractor and provide direction to the contractor in the preparation and execution of the One-on-One interviews, SCC Shippers Survey.				

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

This is a new collection; therefore, there are no program changes or adjustments reported in items 13 or 14 of OMB Form 83-I.

16. For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication. 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.

Results of this study will not be published for statistical use. They will be used to assess a range of potential investments, delay and reliability issues related to current infrastructure capacity, market responses, logistics practices, and price responses by a broad spectrum of stakeholders and BCOs (shippers) to a range of anticipated cost savings attributable to expansion of the Panama Canal and the operational responses and pricing provided by transportation service providers.

The project commenced in September 2010 and is scheduled to conclude in December 2012. Information collected in the proposed survey is expected to begin within one week of approval by OMB and the Listening Session will be scheduled weeks later. Results of the survey need to be compiled and available in early Fall 2012. Information gathered is to be used in technical modeling, which is scheduled to be completed in Fall 2012, and the report that this modeling supports is scheduled to be submitted to MARAD for review and comment by late Fall 2012.

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

It is MARAD's intention to display the expiration date of OMB approval for the purpose of the survey instrument.

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

There is no exception to the certification statement identified in Item 19 of OMB Form 83-I.