**Supporting Statement A**

**30 CFR 250, Subpart H, Oil and Gas Production Safety Systems**

**(Proposed Rule)**

**OMB Control Number 1014-0003**

**Current Expiration Date: January 31, 2015**

**Terms of Clearance:** None

**General Instructions**

A completed Supporting Statement A 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 below. If an item is not applicable, provide a brief explanation. When the question, “Does this information collection request (ICR) contain surveys, censuses, or employ statistical methods?” is checked "Yes," then a Supporting Statement B 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.***

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 to prescribe rules and regulations necessary for the administration of the leasing provisions of that Act related to mineral resources on the OCS. Such rules and regulations will apply to all operations conducted under a lease, pipeline right-of-way, or a right-of-use and easement. Section 1332(6) states that “operations in the [O]uter Continental Shelf should be conducted in a safe manner by well trained personnel using technology, precautions, and other techniques sufficient to prevent or minimize the likelihood of blowouts, loss of well control, fires, spillages, physical obstructions 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.”

The Independent Offices Appropriations Act (31 U.S.C. 9701), the Omnibus Appropriations Bill (Pub. L. 104-133, 110 Stat. 1321, April 26, 1996), and Office of Management and Budget (OMB) Circular A-25, authorize Federal agencies to recover the full cost of services that confer special benefits. Under the Department of the Interior’s (DOI) implementing policy, the Bureau of Safety and Environmental Enforcement (BSEE) is required to charge the full cost for services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those which accrue to the public at large. Facility Production Safety System Applications are subject to cost recovery and BSEE regulations specify service fees for these applications.

Regulations governing production safety systems are primarily covered in 30 CFR 250, subpart H. We are proposing to completely revise the current subpart H regulations and consolidate all BSEE production safety system requirements. The regulations are rewritten in plain language. The proposed rule will codify various conditions of approval that we impose when approving applications to ensure that the systems are installed and operated in a safe and environmentally sound manner. It also incorporates guidance from various Notices to Lessees and Operators (NTLs) into one comprehensive set of regulations, giving them the force of law. The proposed rule incorporates the existing service fees in the current 30 CFR 250, subpart H regulations. The currently approved information collection for subpart H (1014-0003) will be superseded in its entirety by this collection when final regulations take effect.

The proposed rulemaking also affects 30 CFR 250, Subpart A, General. The proposed § 250.107(c)(2) imposes a new information collection requirement. The paperwork burden for this proposed regulation is included in the submission to OMB for approval of the proposed subpart H information collection. When this regulation becomes final, the subpart A paperwork burden will be removed from this collection of information and consolidated with the information collection burden under OMB Control Number 1014-0022, 30 CFR 250, Subpart A, General.

***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.***

We use the information collected under subpart H to evaluate equipment and/or procedures that lessees and operators propose to use during production operations, including evaluation of requests for departures or use of alternate procedures or equipment. Information is also used to verify that production operations are safe and protect the human, marine, and coastal environment. The BSEE inspectors review the records required by this subpart to verify compliance with testing and minimum safety requirements.

The proposed rule is incorporating into the regulations the Gulf of Mexico OCS Region’s (GOMR) policy regarding approval of requests to use a chemical-only fire prevention and control system in lieu of a water system. We may require additional information be submitted to maintain approval. The information is used to determine if the chemical-only system provides the equivalent protection of a water system for the egress of personnel should a fire occur.

We need the information required under the proposed new § 250.107(c)(2) to more closely track the BAST provision outlined in the Outer Continental Shelf Lands Act (43 U.S.C. 1347(b)). This section is also revised to clarify when an operator would have to use BAST.

***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, 15 percent of all information is submitted electronically.

***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.***

BSEE and other Federal Government agencies have Memoranda of Understanding that define the responsibilities of their agencies with respect to activities on the OCS. These are effective in avoiding duplication of regulations and most reporting and recordkeeping requirements. The information collected is unique to the site, well, or operation, and is not available from other sources.

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

This collection of information does have a significant economic effect on a substantial number of small entities. Any direct effects primarily impact the OCS lessees and operators. However, many of the OCS lessees and operators have less than 500 employees and are considered small businesses as defined by the Small Business Administration. Because of the factors involved when drilling for oil, gas, or sulphur, the hour burden on any small entity subject to these 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 we did not collect the information, we could not carry out the mandate of the OCS Lands Act to ensure safe operations in the OCS. Specifically, we could not:

* review safety system designs prior to installation to ensure that minimum safety standards will be met;
* review records of erosion control to ensure that erosion control programs are effective;
* review plans to ensure safety of operations when more than one activity is being conducted simultaneously on a production facility;
* review records of safety devices to ensure proper maintenance during the useful life of that equipment; and
* verify proper performance of safety and pollution prevention equipment (SPPE).

With one exception, there is no set frequency for collecting the information; it is collected on occasion. Submissions are made on the basis of each well completion, requiring the use of subsurface and/or surface SPPE. There is an annual requirement to verify that an injection well is incapable of flowing, which is the minimum frequency that we consider safe to waive the requirement for installation of a surface-controlled subsurface safety or injection valve to prevent backflow of a well.

***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;***

Not applicable in this collection.

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

Not applicable in this collection.

***(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;***

Not applicable in this collection.

***(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; or***

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.***

***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.***

As required in 5 CFR 1320.11, BSEE is providing the initial 60-day review and comment process through the preamble of the proposed rulemaking. We will address in the preamble to the final rulemaking any comments received and make necessary adjustments where applicable. No individual respondents were contacted due to the proposed rulemaking nature of the collection. However, we based many of the estimates on the latest data and information available from previous contacts with respondents to the current regulations and its staff expertise.

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

We 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 part 252, *OCS Oil and Gas Information Program*, and 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*.

***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 include Federal OCS oil, gas, and sulphur lessees and operators. It should be noted that not all of the potential respondents will submit information in any given year, and some may submit multiple times. The burden estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Submissions are generally on occasion and are mandatory. Current subpart H regulations have 62,963 hours and $343,794 non-hour cost burdens approved by OMB. This proposed rule would revise the collection and request a total of 65,665 hours which is a burden hour net increase of 2,702 hours. The non-hour cost burdens are unchanged. With the exception of items identified as NEW in the following chart, the burden estimates shown are those that are estimated for the current subpart H regulations. We therefore estimate that the total annual burden would be 65,665 hours. Refer to the following table for a breakdown of the burdens.

**Burden Table**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Citation 30 CFR 250, Subpart A** | **Reporting and Recordkeeping Requirement** | **Hour Burden** | | **Average No. of Annual Responses** | | **Annual Burden Hours** |
| 107(c)(2) | **NEW:** Demonstrate to us that by using BAST the benefits are insufficient to justify the cost. | 5 | | 2 justifications | | 10 |
| **Subtotal** | | | | **2 responses** | | **10 hours** |
| **Citation**  **30 CFR 250**  **Subpart H and NTL(s)** | **Reporting and Recordkeeping**  **Requirement** | **Hour Burden** | | **Average No. of Annual Responses** | | **Annual Burden Hours** |
| **Non-Hour Cost Burdens\*** | | | | |
| **General Requirements** | | | | | | |
| 800(a) | Requirements for your production safety system application. | Burden included with specific requirements below. | | | | 0 |
| 800(a); 880(a); | Prior to production, request approval of pre-production inspection; notify BSEE 72 hours before commencement so we may witness preproduction test and conduct inspection. | 1 | | 76 requests | | 76 |
| 801(c) | Request evaluation and approval [OORP] of other quality assurance programs covering manufacture of SPPE. | 2 | | 1 request | | 2 |
| 802(c)(1); 852(e)(4);  861(b); | **NEW:** Submit statement/certification for: exposure functionality; pipe is suitable and manufacturer has complied with IVA; suitable firefighting foam per original manufacturer specifications. | Not considered IC under 5 CFR 1320.3(h)(1). | | | | 0 |
| 802(c)(5) | **NEW:** Document all manufacturing, traceability, quality control, and inspection requirements. Retain required documentation until 1 year after the date of decommissioning the equipment. | 2 | | 30 documents | | 60 |
| 803(a) | **NEW:** Within 30 days of discovery and identification of SPPE failure, provide a written report of equipment failure to manufacturer. | 2 | | 10 reports | | 20 |
| 803(b) | **NEW:** Document and determine the results of the SPPE failure within 60-days and corrective action taken. | 5 | | 10 documents | | 50 |
| 803(c) | **NEW:** Submit [OORP] modified procedures you made if notified by manufacturer of design changes or you changed operating or repair procedures as result of a failure, within 30 days. | 2 | | 1 submittal | | 2 |
| 804 | Submit detailed info regarding installing SSVs in an HPHT environment with your APD, APM, DWOP etc. | Burdens are covered under 30 CFR 250, Subparts D and B, 1014-0018 and 1010-0151. | | | | 0 |
| 804(b); 829(b), (c); 841(b); | **NEW:** District Manager will approve on a case-by-case basis. | Not considered IC per 5 CFR 1320.3(h)(6). | | | | 0 |
| **Subtotal** | | | | **128 responses** | | **210 hours** |
| **Surface and Subsurface Safety Systems – Dry Trees** | | | | | | |
| 810; 816; 825(a); 830; | Submit request for a determination that a well is incapable of natural flow. | 5 ¾ | 41wells | | | 246 |
| Verify the no-flow condition of the well annually. | ¼ |
| 814(a); 821; 828(a); 838(c)(3); 859(b); 870(b); | Specific alternate approval requests requiring approval. | Burden covered under 30 CFR 250, subpart A, 1014-NEW. | | | | 0 |
| 817(b); 869(a); | Identify well with sign on wellhead that sub­surface safety device is removed; flag safety devices that are out of service; a visual indicator must be used to identify the bypassed safety device. | Usual/customary safety proce­dure for removing or identify­ing out-of-service safety devices. | | | | 0 |
| 817(b) | Record removal of subsurface safety device. | Burden included in § 250.890 of this subpart. | | | | 0 |
| 817(c) | Request alternate approval of master valve [required to be submitted with an APM]. | Burden covered under 30 CFR 250, subpart D, 1014-0018. | | | | 0 |
| **Subtotal** | | | **41 responses** | | | **246 hours** |
| **Subsea and Subsurface Safety Systems – Subsea Trees** | | | | | | |
| 825(b); 831; 833; 837(c)(5); 838(c); 874(g)(2); 874(f); | **NEW:** Notify BSEE: (1) if you cannot test all valves and sensors; (2) 48 hours in advance if monitoring ability affected; (3) designating USV2 or another qualified valve; (4) resuming production; (5) 12 hours of detecting loss of communication; immediately if you cannot meet value closure conditions. | Notifications | | | | 7 |
| (1) ½ | 6 | | |
| (2) 2 | 1 | | |
| (3) 1 | 1 | | |
| (4) ½ | 1 | | |
| (5) ½ | 1 | | |
| 827 | **NEW:** Request remote location approval. | 1 | 1 request | | | 1 |
| 831 | **NEW:** Submit a repair/replacement plan to monitor and test. | 2 | 1 submittal | | | 2 |
| 837(a) | **NEW:** Request approval to not shut-in a subsea well in an emergency. | ½ | 10 requests | | | 5 |
| 837(b) | **NEW:** Prepare and submit for approval a plan to shut-in wells affected by a dropped object. | 2 | 1 submittal | | | 2 |
| 837(c)(2) | **NEW:** Obtain approval to resume production re P/L PSHL sensor. | ½ | 2 approvals | | | 1 |
| 838(a); 839(a)(2); | **NEW:** Verify closure time of USV upon request of District Manager. | 2 | 2 verifications | | | 4 |
| 838(c)(3) | **NEW:** Request approval to produce after loss of communication; include alternate valve closure table. | 2 | 1 approval | | | 2 |
| **Subtotal** | | | **28 responses** | | | **24 hours** |
| **Production Safety Systems** | | | | | | |
| 842; | Submit application, and all required/supporting information, for a production safety system with > 125 components. | 16 | | 1 application | 16 | |
| $5,030 per submission x 1 = $5,030  $13,238 per offshore visit x 1 = $13,238  $6,884 per shipyard visit x 1 = $6,884 | | | | |
| 25 – 125 components. | 13 | | 10 applications | 130 | |
| $1,218 per submission x 10 = $12,180  $8,313 per offshore visit x 1 = $8,313  $4,766 per shipyard visit x 1 = $4,766 | | | | |
| < 25 components. | 8 | | 20 applications | 160 | |
| $604 per submission x 20 = $12,080 | | | | |
| Submit modification to application for production safety system with > 125 components. | 9 | | 180 modifications | 1,620 | |
| $561 per submission x 180 = $100,980 | | | | |
| 25 – 125 components. | 7 | | 758 modifications | 5,306 | |
| $201 per submission x 758 = $152,358 | | | | |
| < 25 components. | 5 | | 329 modifications | 1,645 | |
| $85 per submission x 329 = $27,965 | | | | |
| 842(b) | **NEW:** Your application must also include certification(s) that the designs for mechanical and electrical systems were reviewed, approved, and stamped by registered professional engineer. [NOTE: Upon promulgation, these certification production safety systems requirements will be consolidated into the application hour burden for the specific components.] | 6 | | 32 certifications | | 192 |
| 842(c) | **NEW:** Submit a certification letter that the mechanical and electrical systems were installed in accordance with approved designs. | 6 | | 32 letters | | 192 |
| 842(d), (e); | **NEW:** Submit a certification letter within 60-days after production that the as-built diagrams, piping, and instrumentation diagrams are on file, certified correct, and stamped by a registered professional engineer; submit all the as-built diagrams. | 6 | | 32 letters | | 208 |
| ½ | |
| 842(f) | **NEW:** Maintain records pertaining to approved design and installation features and as-built pipe and instrumentation diagrams at your offshore field office or location available to the District Manager; make available to BSEE upon request and retained for the life of the facility. | ½ | | 32 records | | 16 |
| **Subtotal** | | | | **1,426 responses** | | **9,485 hours** |
| **$343,794 non-hour cost burdens** | | |
| **Additional Production System Requirements** | | | | | | |
| 851(a)(4) | **NEW:** Request approval to use uncoded pressure and fired vessels beyond their 18 months of continued use. | 2 | | 1 request | 2 | |
| 851(b); 852(a)(3); 858(c); 865(b); | Maintain [most current] pressure-recorder information at location available to the District Manager for as long as information is valid. | 23 | | 615 records | 14,145 | |
| 851(c)(2) | **NEW:** Request approval from District Manager for activation limits set less than 5 psi. | 1 | | 10 requests | 10 | |
| 852(c)(1) | **NEW:** Request approval from District Manager to vent to some other location. | 1 | | 10 requests | 10 | |
| 852(c)(2) | **NEW:** Request a different sized PSV. | 1 | | 1 request | 5 | |
| 852(c)(2) | **NEW:** Request different upstream location of the PSV. | 1 | | 5 request | 5 | |
| 852(e) | Submit required design documentation for unbonded flexible pipe. | Burden is covered by the application requirement in § 250.842. | | | 0 | |
| 855(b) | Maintain ESD schematic listing control function of all safety devices at location conveniently available to the District Manager for the life of the facility. | 15 | | 615 listings | 9,225 | |
| 858(b) | **NEW:** Request approval from District Manager to use different procedure for gas-well gas affected. | 1 | | 1 request | 1 | |
| 859(a)(2) | Request approval for alternate firefighting system. | Burden covered under 30 CFR 250, subpart A, 1014-NEW. | | | 0 | |
| 859(a)(3), (4) | Post diagram of firefighting system; furnish evidence firefighting system suitable for operations in subfreezing climates. | 5 | 38 postings | | 190 | |
| 859(b) | **NEW:** Request extension from District Manager up to 7 days of your approved departure to use chemicals. | Burden covered under 30 CFR 250, subpart A, 1014-NEW. | | | 0 | |
| 860(a); related NTL(s) | Request approval, including but not limited to, submittal of justification and risk assessment, to use chemical only fire prevention and control system in lieu of a water system. | 22 | 31 requests | | 682 | |
| 860(b) | **NEW:** Minor change(s) made after approval rec’d re 860(a) - document change; maintain the revised version at facility or closest field office for BSEE review/inspection; maintain for life of facility. | ½ | 10 minor changes | | 5 | |
| 860(b) | **NEW:** Major change(s) made after approval rec’d re 860(a) - submit new request w/updated risk assessment to District Manager for approval; maintain at facility or closest field office for BSEE review/inspection; maintain for life of facility. | 2 | 1 major change | | 2 | |
| 861(b) | **NEW:** Submit foam concentrate samples annually to manufacturer for testing. | 2 | 500 submittals | | 1,000 | |
| 864 | Maintain erosion control program records for 2 years; make available to BSEE upon request. | 12 | 615 records | | 7,380 | |
| 867(a) | **NEW:** Request approval from District Manager to install temporary quarters. | 6 | 1 request | | 6 | |
| 867(b) | **NEW:** Submit supporting information/documentation if required by District Manager to install a temporary firewater system. | 1 | 1 request | | 1 | |
| 867(c) | **NEW:** Request approval form District manager to use temporary equipment for well testing/clean-up. | 1 | 300 requests | | 300 | |
| 869(a)(3) | **NEW:** Request approval from District Manager to bypass an element of ESS. | 1 | 2 requests | | 2 | |
| 870 | **NEW:** Document PSL on your field test records w/delay greater than 45 seconds. | ½ | 6 records | | 3 | |
| 871 | Request variance from District Manager on approved welding and burning practices. | Burden covered under 30 CFR 250, subpart A – 1014-NEW. | | | 0 | |
| 874(g)(2), (3) | **NEW:** Submit request to District Manager with alternative plan ensuring subsea shutdown capability. | 2 | 5 requests | | 10 | |
| 874(g)(3) | **NEW:** Request approval from District Manager to forgo WISDV testing. | 1 | 10 requests | | 10 | |
| 874(f)(2) | **NEW:** Request approval from District Manager to continue to inject w/loss of communication. | 1 | 5 requests | | 5 | |
| 874(f)(2) | **NEW:** Request alternate hydraulic bleed schedule. | Burden covered under 30 CFR 250, subpart A, 1014-NEW. | | | 0 | |
| **Subtotal** | | | **2,783 responses** | | **32,999 hours** | |
| **Safety Device Testing** | | | | | | |
| 880(a)(3) | **NEW:** Notify BSEE and receive approval before performing modifications to existing subsea infrastructure. | Burden covered under 30 CFR 250, subpart A 1014-NEW. | | | 0 | |
| 880(c)(5)(vi) | **NEW:** Request approval for disconnected well shut-in to exceed more than 2 years. | 1 | 1 request | | 1 | |
| **Subtotal** | | | **1 response** | | **1 hour** | |
| **Records and Training** | | | | | | |
| 890 | Maintain records for 2 years on subsurface and surface safety devices to include, but limited to, status and history of each device; approved design & installation date and features, inspection, testing, repair, removal, adjustments, reinstallation, etc.; at field office nearest facility AND a secure onshore location; make records available to BSEE. | 36 | 615 records | | 22,140 | |
| 890(c) | **NEW:** Submit annually to District Manager a contact list for all OCS operated platforms or submit when revised. | ½ | 1,000 annual lists | | 550 | |
| ½ | 100 revised lists | |
| **Subtotal** | | | **1,715 responses** | | **22,690 hours** | |
| **Total Burden Hours** | | | **6,124 Responses** | | **65,665 Hours** | |
| **$343,794 Non-Hour Cost Burdens** | | | |

\* Non-hour cost burdens that are associated with cost recovery monies collected are based on actual submittals through Pay.gov for FY 2010.

***(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 under “Annual Cost to Federal Government.”***

The average respondent cost is $92 per 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://www.bls.gov/bls/wages.htm>.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Position** | **Level** | **Hourly Pay rate ($/hour estimate)** | **Hourly rate including benefits (1.4\*\*\* x $/hour)** | **Percent of time spent on collection** | **Weighted Average ($/hour)** |
| Secretaries and Administrative assistants | 6 | $21 | $29 | 10% | $3 |
| Management\*\* | 13 | $64 | $90 | 40% | $36 |
| Engineers | 13 | $76 | $106 | 40% | $42 |
| Supervisory Engineer | 13 | $76 | $106 | 10% | $11 |
| **Weighted Average ($/hour)** | | | | | **$92** |

\* Note that this BLS source reflects their last update from December 2009.

\*\* This position is closest representative to Regulatory Specialist.

\*\*\*A multiplier of 1.4 (as implied by BLS news release USDL 12-1124, June 7, 2012 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

We estimate the total annual burden is 65,665 burden hours. Based on a cost factor of $92 per hour, we estimate the total annual cost to industry is $6,041,180 ($92/hr x 65,665 hours = $6,041,180).

***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 already reflected in Item 12).***

***(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 for form processing). 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.***

This ICR includes 10 non-hour cost burdens, all of which are cost recovery fees required under § 250.842. However, the actual fee amounts are specified in 30 CFR 250.125, which provides a consolidated table of all of the fees required under the 30 CFR 250 regulations. The total non-hour cost burdens (cost recovery fees) in this IC request are $343,794 and are as follows:

* Submit application for a production safety system with > 125 components - $5,030 per submission; $13,238 per offshore visit; and $6,884 per shipyard visit.
* Submit application for a production safety system with 25 – 125 components - $1,218 per submission; $8,313 per offshore visit; and $4,766 per shipyard visit.
* Submit application for a production safety system with < 25 components - $604 per submission.
* Submit modification to application for production safety system with > 125 components - $561 per submission.
* Submit modification to application for production safety system with 25 – 125 components - $201 per submission.
* Submit modification to application for production safety system with < 25 components - $85 per submission.

***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.***

The average government cost is $65/hour (rounded). This cost is broken out in the below table using the Office of Personnel Management salary data for the REST OF THE UNITED STATES (<http://www.opm.gov/oca/12tables/>).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Position** | **Grade** | **Hourly Pay rate ($/hour estimate)** | **Hourly rate including benefits (1.5\* x $/hour)** | **Percent of time spent on collection** | **Weighted Average ($/hour rounded** |
| Clerical | GS-7/5 | $21 | $32 | 10% | $3 |
| Petroleum Engineer | GS-13/5 | $44 | $66 | 70% | $46 |
| Supv. Petroleum Engineer | GS-14/5 | $53 | $80 | 20% | $16 |
| **Weighted Average ($/hour)** | | | | | **$65** |

\*A multiplier of 1.5 (as implied by BLS news release USDL 12-1124, June 7, 2012 (see <http://www.bls.gov/news.release/ecec.nr0.htm>)) was added for benefits.

To analyze and review the information required by subpart H, we estimate the Government will spend an average of approximately .5 hour for each hour spent by the respondents for a total of 32,833 (rounded) hours. Based on a cost factor of $65 per hour, the cost to the Government is $2,134,145 (65,665 hours x .5 hour = 32,833 x $65 = $2,134,145).

***15. Explain the reasons for any program changes or adjustments in hour or cost burden.***

We are revising this ICR to include the changes due to rulemaking. However, a large part of the burden is an extension of current regulatory/condition of approval requirements and NTL procedures and, therefore, not actually new requirements. The actual program increases are those requirements indicated as **NEW** in the burden tables displayed in Section A.12 above.

a. This ICR requests a total of 65,665 burden hours. Current subpart H regulations have 62,963 hours approved by OMB. This rulemaking ICR proposes a new burden hour increase of 2,702 hours.

For the current requirements retained in the proposed rule, we used the currently approved estimated hour burdens and average number of annual responses where discernible.

b. The OMB approved non-hour cost burden for subpart H is $343,794 and this request remains the same.

***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 BSEE will not tabulate or 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.***

Not applicable, as this collection of information concerns requirements in regulations.

***18. Explain each exception to the topics of the certification statement identified in, “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.”