

**U.S. Department of Energy
Supporting Statement
State Energy Program
OMB Control Number: 1910-5126**

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

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

In order to adequately monitor, report, and ensure transparency and accountability, the SEP requires quarterly reporting. The SEP has a typical annual allocation of \$50 million.

This collection will also include one report for the ARRA grantees whose grants close September 30, 2013.

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

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

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

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

4. Describe efforts to identify duplication.

The SEP is a unique, flexible and diverse program that provides funding to states to promote the conservation of energy, reduce the rate of growth in energy demand and reduce the dependence on imported oil through the development and implementation of a comprehensive State Energy Program. The collection of the information has been standardized to capture information on financial expenditures and obligations, progress on project implementation, and estimated impacts. The information collected is unique to the DOE therefore this collection is not duplicative.

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

Small businesses are not impacted by these requirements.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

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

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

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

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5CFR 320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE.

The Department published a 60-day Federal Register Notice and Request for Comments concerning this collection in the Federal Register on July 29, 2013, at 78 FR 45517. The notice described the collection and invited interested parties to submit comments or recommendations regarding the collection. No comments were received.

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

No payment or gift is being provided to the respondents.

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

No identifiable confidential information is being requested from the grantees, grantees are states and state agencies.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

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

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

Quarterly Reporting burden

All SEP grantees are required to report information about financial expenditures and the outcomes of expending SEP funds. In addition, SEP grantees who are managing financial programs funded with ARRA funds are required to report on the financial status and outcomes of those programs. Finally, grantees whose SEP ARRA grant ends September 30, 2013 will have to complete a single final report for that grant during the active period of this ICR.

SEP Annual Formula Grants w/o ARRA-Funded Financial Programs

- (1) 17 grantees x 20 hours = 340 hours per quarter
- (2) 340 hours x 4 quarterly periods = 1,360 hours annually

SEP Annual Formula Grants w/ ARRA-Funded Financial Programs

- (1) 39 grantees x 40 hours = 1,560 hours per quarter
- (2) 1,560 hours x 4 quarterly periods = 6,240 hours annually

SEP ARRA Grants Ending September 30, 2013

- (1) 14 grantees x 30 hours = 420 hours
- (2) 420 hours x 1 reporting period = 420 hours once

Total SEP Annual SEP Reporting Burden by Year

- (1) Year 1: 8,020 hours
- (2) Subsequent Years: 7,600 hours
- (3) Average annual burden: 7740 hours

Total number of unduplicated respondents: 56
Reports filed per person: 4.08 reports annually per applicant
Total Annual responses: 228 average reports annually
Total annual burden hours: 7740 hours

The average burden estimated by hours per collection and applicant are below.
Per Collection: 34 hours
Per Applicant(Annual total): 139 hours

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

State Government Cost Burden

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

SEP Annual Formula Grants w/o ARRA-Funded Financial Programs

- (1) 340 hours x 4 quarterly periods = 1,360 hours annually
- (2) 1,360 hours x \$40/hour = \$54,400

SEP Annual Formula Grants w/ ARRA-Funded Financial Programs

- (1) 1,560 hours x 4 quarterly periods = 6,240 hours annually
- (2) 6,240 hours x \$40/hour = \$249,600

SEP ARRA Grants Ending September 30, 2013

- (1) 420 hours x 1 reporting period = 420 hours once
- (2) 420 hours x \$40/hour = \$16,800

Total SEP Annual SEP Reporting Cost Burden

- (1) Year 1: \$320,800
- (2) Subsequent Years: \$304,000
- (3) Annual Average: \$309,600

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

Federal Government Cost Burden

Project Management Center (PMC) Staff

- (1) 4 hours/report x \$40/hour = \$160/report

Total Federal Government Cost Burden

- (1) Year 1: (224 quarterly reports + 14 ARRA reports) x \$160/report = \$38,080
- (2) Subsequent Years: 224 quarterly reports x \$160/report = \$35,840
- (3) Annual Average: \$36,587

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

The rationale for changes is as follows:

1. The last three years have afforded DOE the opportunity to acquire a better understanding of the effort necessary at the grantee level to prepare high value quarterly reports. It is noted that DOE Project Officers have been tasked with seeking higher quality, more detailed quarterly reports.

2. It is also noted that as grantee projects have become more complex, including the addition of revolving loan and loan loss reserve programs, grantee reporting requires more time and more collaboration between both program partners (both intra-governmental and private sector) than in the past.
3. Finally, reporting requirements for grantees with ARRA-funded grants continue through the end of 2013, and are included within this request.
4. Accordingly, the burden estimates for quarterly reports have been calculated to more accurately reflect the true burden incurred by grantees. Grants awarded after the ARRA period have lower funding levels and less complex reporting requirements, thus there is a 20% decrease in the amount of time required to report on those awards. However, some of the grantees utilized ARRA funds to set up ongoing financial mechanisms, such as Revolving Loan Funds (RLFs) and Loan Loss Reserves (LLRs), for those programs, grantees must continue to report on a quarterly basis not only for their new grants, but also for those funds which remain active.

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

SEP reserves the right to make public any application documents, forms, and data collected at the Program's discretion following all applicable laws and regulations that protect confidential or proprietary information.

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

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

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

There are no exceptions being requested.