2014

SUPPORTING STATEMENT

OMB Control No. 0572-0140
Electric System Emergency Restoration Plan

A. JUSTIFICATION

1. Circumstances that make this collection of information necessary.

The term "critical infrastructure" is defined in section 1016(e) of the USA Patriot Act of 2001 (42 U.S.C. 5195c(e)) as "systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters." Electric power systems have been identified in Presidential Decision Directive 63 (PDD-63) as one of the critical infrastructures of the United States. The United States electric power system consists of three distinct components: generation facilities, transmission facilities (including bulk transmission and subtransmission facilities) and distribution facilities. Generation facilities means the generation plant and related facilities, including the building containing the plant, all fuel handling facilities, and the stepup substation used to convert the generator voltage to transmission voltage, as well as related energy management (dispatching) systems. Transmission facilities mean all electrical lines and related facilities, including certain substations, used to connect distribution facilities to generation facilities. They include bulk transmission and subtransmission facilities. Bulk transmission facilities means the transmission facilities connecting power supply facilities to the subtransmission facilities, including both the high and low voltage sides of the transformer used to connect to the subtransmission facilities, as well as the supervisory control and data acquisition systems. Subtransmission facilities means the transmission facilities that connect the high voltage side of the distribution substation to the low voltage side of the bulk transmission or generating facilities, as well as related supervisory control and data acquisition facilities. Distribution facilities means all electrical lines and related facilities beginning at the consumers meter base, and continuing back to and including the distribution substation.

Other critical infrastructures identified in PDD-63 are all dependant to some degree upon the full and continuous functioning of the electric power system. Further, damage to or loss of critical or significant parts of the United States electric power system can cause enormous damage to the environment, loss of life and economic loss and can affect the national security of the United States. Such damage or loss can be caused by an act of nature or an act by man, ranging from an accident to an act of terrorism. Of particular concern are physical and cyber threats from terrorists. Protecting America's critical infrastructure is the shared responsibility of Federal, state, and local government in active partnership with the private sector. Homeland Security Presidential Directive 7 (HSPD-7) established a national policy for Federal departments and agencies to identify and

prioritize United States critical infrastructure and key resources and to protect them from terrorist attacks. The Department of Homeland Security's Directorate of Information Analysis and Infrastructure Protection (IAIP) is the lead organization in coordinating the national effort to secure the nation's critical infrastructure. This IAIP function will give state, local, and private entities one primary contact within the Federal government for coordinating protection activities, including vulnerability assessments, strategic planning efforts, and exercises. Rural Utilities Service (RUS) and, more importantly, RUS electric borrowers must be diligently proactive in electric infrastructure security.

A substantial portion of the electric infrastructure of the United States resides in, and is maintained by, rural America. RUS is uniquely coupled with the electric infrastructure of rural America and its electric borrowers serving rural America. To ensure that the electric infrastructure in rural America is adequately protected, RUS requires that all electric borrowers conduct a Vulnerability and Risk Assessment (VRA) of their respective systems and utilize the results of this assessment to enhance an existing Emergency Restoration Plan (ERP) or create an ERP.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate that actual use the Agency has made of the information received from the current collection.

The VRA is utilized to identify specific assets and infrastructure owned or served by the electric utility, determine the criticality and risk level associated with such assets and infrastructure including a risk versus cost analysis, identify threats and vulnerabilities, if any, review existing mitigation procedures, and assist in the development of new and additional mitigation procedures, if necessary. The ERP provides written procedures detailing response and restoration efforts in the event of a major system outage resulting from a natural or man made disaster. An annual exercise of the ERP will ensure operability and employee competency and serve to identify and correct deficiencies in the existing ERP. The exercise may be implemented singly by an individual borrower, or by an individual borrower as a participant in a multi-party (to include utilities, government agencies and other participants or combination thereof) tabletop execution or actual implementation of the ERP. (Tabletop means a hypothetical emergency response scenario in which participants will identify the policy, communication, resources, data, coordination, and organizational elements associated with an emergency response).

Electric borrowers maintain an ERP as part of prudent utilities practices. These ERP's are essential to continuous operation of the electric systems. RUS requires that each electric borrower provide an annual self-certification, in writing, that an ERP exists and that an initial VRA has been performed. If the certification is not received, additional loan funds would not be approved. Self-certification is performed annually.

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.

RUS is committed to meeting the requirements of the E-Government Act, which requires Government agencies in general to promote the use of the Internet and other information technologies and to provide increased opportunities for citizen access to Government information and to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. Currently, the certification is available as a fillable pdf on the agency website; however, RUS continues to explore ways in which to offer an electronic solution for this collection.

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.

This certification of an Emergency Restoration Plan is an annual submission and is required for each borrower. No similar information already exists; therefore there is no duplication of information.

5. If the collection of information impacts small businesses or other small entitles (item 5 of OMB Form 83-I), describe any methods used to minimize burden.

All but 10% of the electric borrowers meet the Small business Administration criteria for a small business. RUS has made every effort to ensure that the burden on these entities is the minimum necessary to effectively administer the agency programs. The certification, which is available electronically in fillable pdf form, is unique to each electric borrower and is the minimum necessary to ensure that electric borrowers conduct the Vulnerability and Risk Assessment of their systems and establish and maintain an Emergency Restoration Plan.

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

This self-certification is required from each RUS electric borrower and is submitted annually. This certification will be kept on file at the Washington headquarters. If this information were not collected in the time-frame specified in the rule, vulnerabilities that may exist in the electric system infrastructure would not be detected. The result would be increased risk to public safety and may affect the Government loan security interest.

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

a. Requiring respondents to report information more than quarterly.

There is no request to collection this information more than quarterly.

b. Requiring written responses in less than 30 days.

There is no requirement to respond in less than 30 days.

c. Requiring more than an original and two copies.

There is no requirement for more than an original and two copies to be submitted.

d. Requiring respondents to retain records for more than 3 years.

Record retention requirements shall be in accordance with 7 CFR 1767.

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.

This collection does not involve statistical information.

f. Requiring the use of a statistical data sampling that has not be reviewed and approved by OMB.

This collection does not employ statistical sampling.

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

This is no requirement of a pledge of confidentiality.

h. Requiring respondents to submit proprietary trade secret, 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.

There is no requirement to submit propriety trade secrets.

8. If applicable, identify the date and page number of publication in the Federal Register of the Agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the Agency in response to these comments. 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, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

As required by 5 CFR 1320.8(d), a notice requesting public comments was published on December 26, 2013, in the *Federal Register*, at 78 FR 78329. The comment period ended February 24, 2014, and no comments were received on this information collection.

The following individuals have been consulted to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, etc.:

Bill Rogers
Caney Fork Electric Cooperative
P.O. Box 272
McMinnville, TN 37111-0272
(931) 473-3116

Overall the borrower believes that the collection of information requested is necessary and not too burdensome and materials such as CFR and Website are very accessible. The borrower comments that this is one of the most useful exercises they do.

David A. Opie
Clark Electric Cooperative, Inc.
P.O. Box 161
Osceola, IA 50213-0161
(641) 342-2173

Overall the borrower believes that the collection of information requested is necessary and not too burdensome and materials such as CFR and Website are very accessible. This process was very useful to the borrower to prepare for future storm recovery situations.

Scott Rorex
Clay County Electric Cooperative Corp.
P.O. Box 459
Corning, AR 72422-0459
(870) 857-3521

Overall the borrower believes that the collection of information requested is necessary and materials such as CFR and Website are very accessible. The GFR has been helpful to explain instructions and minimize burden.

In addition to the individuals listed above, the Agency periodically reviews its procedures to determine if any paperwork requirements can be eliminated without lessening the Government's security of the Agency's loans portfolio. Agency staff, including General Field Representatives, often discusses paperwork requirement issues with our borrowers,

national trade organizations, and supplemental lenders at various meetings, conferences, etc.

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

There is no payment or gift to respondents.

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

No assurance of confidentiality has been provided to the respondents. Information submitted to RUS by borrowers is covered by the provisions of the Freedom of Information Act (5 U.S.C. 552).

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitude, religious belief, and other matters that are commonly considered private.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

Based upon the current number of electric program borrowers, the Agency estimates that there are 625 respondents and 625 annual responses and 312.5 burden hours. The total cost to respondents is estimated to be $12,565. Each response is estimated to require 30 minutes and 50 percent, or 15 minutes, requires managerial attention and 50 percent requires the time of an Administrative Assistant. Wage rates are based on information from the Bureau of Labor Statistics, median hourly wage for General and Operations Managers, $46.36, (Occupation Code 11-1021) and Secretaries and Administrative Assistants, $15.79, (Occupation Code 43-6014) found at http://www.bls.gov/oes/current/oes_nat.htm#43-0000. With the addition of cost of benefits, the hourly wages are $59.99 and $20.43. The calculation of estimated cost of labor for the hours required to comply with this information collection is illustrated in the following chart:

Occupation Category	Annual Responses	Burden per response	Hourly Wage/Benefit	Respondent Cost
General & Operations Managers (11-1021)	625	.25	$59.99	$9,373
Secretaries & Administrative Assistants (43-6014)	625	.25	$20.43	$3,192
Total Respon dent cost				$12,565.00

Historical data provided by the Bureau of Labor Statistics, Employer Cost for Employee Compensation Supplemental Tables Historical Data December 2006-September 2012 is utilized to calculate the total cost of benefits. Benefits as a percentage of total compensation for Private sector trade, transportation and utilities workers were 29.4% of total hourly compensation. *See,* http://www.bls.gov/ncs/ect/sp/ecsupst.pdf, Page 91.

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

a. Total capital and start-up cost component (annualized over its expected useful life); and

There are no capital or start-up costs associated with this collection.

b. Total operation and maintenance and purchase of services component.

There are no operation and maintenance or purchase of services components associated with this collection.

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

The annualized cost to the Federal Government to administer the activities reported in this package is estimated to be $12,266. RUS will receive approximately 625 responses and each response requires 15 minutes of professional time (GS 13 Step 5) for review and processing. Costs are shown below at a wage rate of $48.83 for professional time (GS 13 Step 5) with $17.70 benefits for total hourly wage rate of $66.53.[1]

COST TO THE GOVERNMENT

Responses	Hour burden	Hourly Wage/Benefit cost	Cost of Wage/benefits	Cost of 18% overhead	Annualized cost to the Federal Government
625	.25	$66.53	$10,395	$1,871	$12,266

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.

The respondents decreased by 51 from 676 to 625 due to a decrease in the overall total of electric borrowers. The decrease is a result of borrowers paying in full and thus no longer being active borrowers, or of borrowers merging or consolidating with other borrowers.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

The results of this collection of information are not intended for publication.

[1] Cost of total benefits as a percentage of total compensation for Federal Government employees has been calculated by multiplying 36.25% by the hourly OPM wage and adding that amount in accordance with OMB Memorandum M-08 13.

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.

No such approval is requested.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-1.

There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.