

Supporting Statement A

Helium Contracts (43 CFR Part 3195)

OMB Control Number 1004-0179

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 ICR contain surveys, censuses, or employ statistical methods?” is checked "Yes," then a Supporting Statement B must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

The Bureau of Land Management (BLM) requests that the Office of Management and Budget (OMB) renew and revise control number 1004-0179, “Helium Contracts.” This request is prompted by the need to update the control number in response to legislation.

The Federal government has been involved in the production, storage, and use of helium since 1925, when the government set up the Federal Helium System. The Helium Amendments Act of 1960 provided incentives for private natural gas producers to strip helium from natural gas, sell it to the Federal government, and transmit it to the Federal Helium System. This “crude” helium-nitrogen mixture was injected and stored into the Federal Helium System, and then was further purified when needed. The 1960 Act also authorized the Secretary of the Interior to sell crude helium for Federal, medical, scientific, and commercial uses. At that time, these activities were implemented within the Department of the Interior by the Bureau of Mines.

Congress redefined the government’s role in helium production by passing the Helium Privatization Act of 1996 (Public Law 104-273, 110 Stat. 3315, codified at 50 U.S.C. 167-167m). At that time, the Bureau of Mines was abolished and the BLM was given responsibility

for operating the Federal Helium System for the purpose of providing enriched crude helium to private refiners. Regulations implementing the Federal helium program, at 43 CFR Part 3195, provide the authority for the BLM to collect helium sales information from Federal agencies and helium suppliers of major helium requirements, in order to balance crude helium purchases from the BLM with sales of helium to Federal agencies.

Congress again redefined the government's role by passing the Helium Stewardship Act of 2013 (2013 Act), Public Law 113-40. (127 Stat. 534, codified at 50 U.S.C. 167-167q). The intent of the 2013 Act is to allow for a smooth transition to private means of helium production (both domestic and international) as the Reserve is steadily drawn down. It replaced many of the key aspects of the original Helium Privatization Act of 1996, by establishing certain goals that the Secretary of the Interior must achieve from the period of October 2013 to September 2021.

At present, control number 1004-0179 authorizes the BLM to collect information to implement in-kind sales of helium in accordance with 43 CFR Part 3195. The BLM proposes to continue to verify equivalent amounts of crude helium purchased and sold, through use of a new form called "Refined Helium Deliveries Detail." This form will replace the current non-form collection activity called "Quarterly Reporting of Sales Information." The BLM also proposes to add new information collection activities. Together, the proposed information collection activities are necessary in order to implement the Helium Stewardship Act of 2013.

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 require Federal in-kind helium users to enter into In-Kind Crude Helium Sales Contracts. These contracts require the in-kind users to do the following:

- a. Report the deliveries of refined helium each quarter. The BLM uses this information to track sales of refined helium and to determine the use of helium.
- b. Notify the BLM 14 days in advance of the request for helium. The BLM needs this information in order to have sufficient time to deliver the helium.
- c. Make available all pertinent records for inspection by the BLM. We use this information to audit the suppliers and to determine whether or not helium sales are reported accurately.
- d. Notify the BLM of any billing errors in the statement. The BLM uses this information to correct amounts owed or overpaid.
- e. Provide the name and address of the Federal helium supplier, proposed supplier, and the contract number. The BLM uses this information for identification purposes and to

ensure billing of the correct suppliers.

- f. Attest that he/she did not secure an outside party to seek or secure the contract. The BLM uses this information to verify the sales contract.

The BLM requires non-federal entities, refiners and non-refiners alike, to enter into storage contracts to store any helium they purchase in the Federal Helium System. As part of the storage contracts, these refiners and non-refiners must do the following:

- a. Report Excess Refining Capacity on an annual basis: Reporting this information is necessary to satisfy the terms-and-conditions section of the Act which requires the refiners to make excess refining capacity available to non-refiners at commercially reasonable rates.
- b. Report any tolling activity within two weeks following the end of each Federal fiscal year: Reporting this information is necessary to satisfy the terms-and-conditions section of the Act which requires the refiners to enter into tolling agreements between the refiner and another party (non-refiner, end-user) during the preceding year, in order to ensure that helium that has been purchased can be refined and used or re-sold.
- c. Report Tolling Occurrences within two weeks of entry into a tolling agreement: In accordance with the requirement to enter into tolling agreements with non-refiners, the BLM will collect information throughout the year to ensure that tolling is being planned and is actually taking place, and to conduct operational planning for the distribution of helium from the Federal Helium System.

The requirements described below comprise a single information collection activity. The BLM has developed a new form (“Refined Helium Deliveries Detail”) that will replace the existing non-form activity titled “Sales Reports.”

In order to sell refined helium to a Federal agency, a private helium merchant must buy an equivalent amount of crude Federal helium. The BLM will use the Refined Helium Deliveries Detail form to collect information from each private company that supplies helium to a Federal agency. Such suppliers must report the following information to the BLM within 45 days of the end of each quarter:

1. Agency identification: the agency’s name, the helium provider agency or contract number, and the point of contact’s phone number and address. The BLM needs this information so that it may contact the merchant.
2. Refined Sales Detail: the Federal agency, the city and state where the delivery took place, the delivery date, the volume of helium delivered, the units in cubic feet plus the pressure and temperature conditions, and the reference number. The BLM needs this information for purposes of auditing private companies who supply helium to Federal agencies.

Calculation of Excess Refining Capacity

The 2013 Act provides that any refiner of crude helium that purchases helium from the Federal Helium System must, as a condition of that sale or auction, make excess refining capacity available at commercially reasonable rates to certain non-refiner purchasers of Federal crude helium. The 2013 Act also requires the BLM to aggregate data on storage capacity and post the aggregated data on a public website. The collected information can also be used to inform the BLM of changes in the refiner's calculation of excess refining capacity as they occur.

Refiners must submit the Calculation of Excess Refining Capacity form to the BLM upon entering into a new storage contract, and annually on July 1 of each year, prior to the BLM's annual helium auction. The form requires the following information:

1. Fiscal Year. The BLM needs this information in order to verify the timeliness of the report.
2. The following volumes, reported in standard cubic feet per year:
 - A. Operational Refining Capacity, i.e., the total capacity available to refine crude helium including capacity that could reasonably be put into operation for the forecasted fiscal year.
 - B. Planned Crude Helium Demand, i.e., the planned demand for all crude helium to be processed by the helium refiner, including crude helium from the Federal Helium System, as well as from all other sources.
 - C. Excess Refining Capacity, i.e., the reported total refining capacity of the refiner, minus the volume of forecasted demand for a particular fiscal year.
3. The name of the company, the name and title of the authorized agent, telephone number, email, signature, and date.

The BLM needs this information in order to determine the availability of excess refining capacity and to determine whether or not each refiner has complied with its obligation to submit data on excess refining capacity.

Refiner's Annual Tolling Report and Refiners' Tolling Occurrence Report

The BLM will monitor the practices of helium refiners processing or refining another party's helium at an agreed-upon price through two additional collection activities. These collection activities will help to meet the 2013 Act's requirement to make excess refining capacity available at commercially reasonable rate. This practice is referred to as "tolling."

In the Refiners' Annual Tolling Report, the BLM will obtain documentation of the tolling agreements that were entered into between the refiners and other parties during the preceding

year. The refiners may also take this opportunity to document its attempts to negotiate tolling if they desire. This information will be due to the BLM annually, within two weeks of the start of the Federal fiscal year, by October 14.

The Refiner's Annual Tolling Report requires the following information:

1. Fiscal Year. The BLM needs this information in order to verify the timeliness of the report.
2. Company. The BLM needs this information in order to identify the refiner.
3. Date Tolling Agreement Signed: The BLM needs this information in order to verify that the identified agreement was signed during the time covered by the report.
4. Volume: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.
5. Price per Mcf: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.
6. Delivery Period: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.

In the Refiners' Tolling Occurrence Report, the BLM will collect information throughout the year whenever a refiner enters into a tolling agreement with another party. This will allow the BLM to anticipate the delivery of helium, and monitor compliance with the Act regarding excess refining capacity. This information will be due to the BLM within two weeks of entry into a tolling agreement.

The Refiners' Tolling Occurrence Report requires the following information:

1. Fiscal Year. The BLM needs this information in order to verify the timeliness of the report.
2. Company. The BLM needs this information in order to identify the refiner.
3. Date Tolling Agreement Signed: The BLM needs this information in order to verify that the identified agreement was signed during the time covered by the report.
4. Volume: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.
5. Price per Mcf: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.

6. Delivery Period: The BLM will use this information as a factor in determining whether or not the rate charged was commercially reasonable.

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.

In-Kind: In accordance with the Government Paperwork Elimination Act (GPEA), In-Kind Helium Sales Contractors may, and usually do, submit electronically the documentation that is required to fulfill the obligations of the In-Kind Crude Helium Sales Contract. The BLM has created a form for this purpose.

Private Helium Storage: In accordance with the Government Paperwork Elimination Act (GPEA), the BLM has created three forms for Helium Storage Contract holders to complete the information necessary to track Excess Refining Capacity, Tolling Activity and Tolling Occurrences.

The forms that the BLM created for collecting this information are located in the BLM Amarillo Field Office's Helium Operations website at: www.blm.gov/nm/Reporting. The forms are completed and submitted electronically to the BLM.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The information we collect is unique to the helium supplier. No other Federal or State agencies collect similar information that we could use to track Federal helium sales and deliveries.

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

The BLM is not required to collect information on whether the respondents qualify as small businesses or small entities. If the entities were determined to be Qualified Bidders for a particular helium sale or auction, and they prevail in the sale or auction, they enter into Storage Contracts, and must satisfy the requirements of the Federal Acquisition Regulations. The information we require from all respondents is limited to the minimum requirements necessary to comply with agency responsibilities under the Act. It imposes no special burden on small entities who may wish to distribute or resell helium.

In terms of In-Kind helium sales, the only government bodies affected by this collection are large Federal agencies, such as the National Aeronautics and Space Administration.

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 from entities that are storing their helium in the Federal Helium System, and drawing their purchased and stored helium from the Reserve, we could not assure to Congress that their intent in passing the Helium Stewardship Act of 2013 is being met, or that the equivalent sales of crude helium to private industry in return for their refined helium sales to Federal agencies was taking place.

Moreover, the In-Kind provisions of the Act requires that all Federal agencies, including the Department of Defense and the Department of Energy, purchase all major helium requirements from entities with enforceable contracts to purchase equivalent amounts of helium from the Department of the Interior. Less frequent collection would make the program unmanageable.

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

- * **requiring respondents to report information to the agency more often than quarterly;**
- * **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- * **requiring respondents to submit more than an original and two copies of any document;**
- * **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
- * **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;**
- * **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- * **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**
- * **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.**

With the exception of the following circumstance, there are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5. One of the reporting forms, the Tolling Occurrence Form, must be completed and submitted within two weeks of entry into a tolling agreement. The BLM will collect such information throughout

the year to ensure that tolling is being planned and is actually taking place in accordance with Congressional intent within the 2013 Act, and to conduct operational planning for the distribution of helium from the Federal Helium System.

- 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 three 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 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.

On April 16, 2015, the BLM published the required 60-day notice in the Federal Register (80 FR 20505), and the comment period ended June 15, 2015. The BLM received one comment which contained three suggestions for changes to the proposed information collection system.

1. The first bullet following the second paragraph in the “Summary” section of the 60-day notice should read: “Parties to a helium storage contract with the BLM must disclose on a strictly confidential basis.” We concur with this suggestion, as it is consistent with the Helium Stewardship Act of 2013.
2. Sub-paragraph (1) under the same bulleted paragraph in the 60-day notice should be revised to make it clear that only the volumes and associated prices for Qualifying Domestic Helium Transactions, as defined in the Act, need to be reported. Thus, the sub-bullet should read: “(1) The volumes and associated prices in dollars per thousand cubic feet (Mcf) in purchase and sales transactions made pursuant to any agreement entered into or renegotiated agreement during the preceding 1-year period in the United States involving at least 15 million standard cubic feet of crude or pure helium”. We concur with this suggestion, as it is consistent with the definition of “Qualifying Domestic Transaction” under the Helium Stewardship Act of 2013.

3. The table of burdens in the 60-day notice does not correctly reflect the administrative time necessary to define, review and approve the “Refined Helium Deliveries Detail” and the “Refiners’ Tolling Occurrence Report” submittals. A minimum of 4 hours should be assigned to these two reports, versus the estimates of one hour and one-half hour, respectively. We concur with this suggestion. We have revised our estimated burdens to indicate 4 hours per response for the “Refined Helium Deliveries Detail Form”, and 4 hours for the “Refiners’ Tolling Occurrence Report.

The BLM has consulted with the following respondents to obtain their views on the availability of data; frequency of collection; the clarity of instructions; the recordkeeping, disclosure, and reporting formats; and on the data elements to be recorded, disclosed, or reported:

Mawusi Hendrickson
Administrative Assistant
GT&S-Welco
Praxair Distribution Mid-Atlantic
8025 Dorsey Run Road
Jessup, MD 20794
410-796-8845 x 0

Jane Hoffman
Praxair, Inc
Global Director Operation
Helium and Rare Gases
1585 Sawdust Rd Ste 300
The Woodlands, TX 77380
281-203-3861

Katie Davies
Matheson Trigas
8200 Washington NE
Albuquerque, NM
505-222-0232

These respondents indicated no issues or concerns regarding the questions we asked. We have not modified the collection of information in response to the comments of the listed respondents.

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

We do not provide payments or gifts to the respondents.

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

We protect the respondent’s confidentiality to the extent consistent with the Freedom of Information Act (5 U.S.C. 552).

Under the privacy provisions of the E-Government Act of 2002, individuals/respondents were informed as to whether or not providing the information is required to obtain a benefit. The

BLM provides that the information collected will be treated as business sensitive, but may be aggregated with other data for BLM’s public reporting purposes.

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.

We do not require respondents to answer 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 hour 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.**
- * 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.**

The estimated hourly cost for respondents is shown at Table 12-1. The hourly wage for Table 12-1 was determined using national Bureau of Labor Statistics data at:

http://www.bls.gov/oes/current/oes_nat.htm. The benefits multiplier of 1.4 is supported by information at <http://www.bls.gov/news.release/ecec.nr0.htm>.

Table 12-1 — Hourly Cost Calculation

A. Position	B. Mean Hourly Pay Rate (\$/hour)	C. Hourly Rate with Benefits (Column B x 1.4)
Office and Administrative Support Occupations (43-0000)	\$17.08	\$23.91

Estimated annual hour and cost burdens to respondents are shown at Table 12-2, below, and include time spent for researching, preparing, and submitting information. The average hourly wage associated with these information collection activities is shown at Table 12-1, above. The frequency of response for each of the information collection activities is shown in Table 12-2.

Table 12-2 — Hour and Cost Burdens for Individuals and Households

A. Type of Response	B. Frequency	C. Number of Respondents	D. Number of Responses	E. Hours Per Response	F. Total Hours (Column D x Column E)	G. Wage Cost (Column F x \$23.91)
Refined Helium Deliveries Detail	Quarterly	10	40	4	160	\$3,826
Calculation of Excess Refining Capacity	Annually	4	4	4	16	\$383
Refiners' Annual Tolling Report	Annually	4	4	4	16	\$383
Refiners' Tolling Occurrence Report	On occasion	4	12	4	48	\$1,148
Totals		22	60		240	\$5,740

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.)

*** The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) 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.

- * If cost estimates are expected to vary widely, agencies should present ranges of cost burdens 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.
- * 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.

Respondents are not required to purchase additional computer hardware or software to comply with these information requirements. There is no filing fee associated with this information collection. There are no capital and start-up costs involved with this information collection. There is no “non-hour” burden.

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 hourly cost to the Federal Government is shown in Table 14-1 and based on data at: <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2015/general-schedule/>.

The benefits multiplier of 1.5 is implied by information at: <http://www.bls.gov/news.release/ecec.nr0.htm>.

Table 14-1 — Hourly Cost Calculation

A. Occupational Category and GS Level	B. Hourly Pay Rate	C. Hourly Rate with Benefits (Column B x 1.5)	D. Percent of Collection Time Completed by Each Occupation	E. Weighted Avg. Hourly Cost (Column C x Column D)
Secretary GS-06, Step 2	17.63	\$26.45	15%	\$3.97
Crude Helium Sales Analyst GS-09, Step 4	25.51	\$38.27	50%	\$19.13
Lead Engineer GS-13, Step 4	43.99	\$65.99	15%	\$9.90
Engineer GS-12, Step 10	43.73	\$65.60	20%	\$13.12
Totals			100%	\$46.12

The estimated annual cost to the Federal Government includes time spent for processing the information provided by the respondents. The weighted average hourly wage is shown at Table 14-1, above. Table 14-2, below, shows the annualized Federal costs for each component of this collection of information. The estimated time spent to process the information collections is based on the BLM's experience.

Table 14-2 — Hour and Cost Burdens for Federal Government

A. Type of Response	B. Number of Responses	C. Hours Per Response	D. Total Hours (Column B x Column C)	E. Total Wage Cost (Column D x \$46.12)
Excess refining capacity	1	8	8	\$369
Annual documentation of tolling agreements	1	8	32	\$369
Notice of new tolling agreement (estimate three new tolling agreements per refiner = 3x4)	12	0.5	6	\$277
Refined Helium Detail form (once each quarter = 10x4)	40	1	40	\$1,845
Totals	60		110	\$2,860

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

The BLM is requesting the change to this control number by adding a form ("Refined Helium Deliveries Detail") to replace the existing non-form activity titled "Sales Reports." In addition, the BLM is adding three new information collection activities and forms that are necessary for the implementation of the Helium Stewardship Act of 2013 (Act or 2013 Act), Public Law 113-40 (127 Stat. 534, codified at 50 U.S.C. 167-167q).

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 BLM will publish an alphabetical list of crude helium suppliers to Federal agency users to assist them in identifying authorized procurement sources. We also provide this information on the BLM Amarillo Field Office's Helium Operations website at: www.blm.gov/nm/Reporting.

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.

The BLM will display the expiration date of the OMB approval on the forms included in this information collection.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

There are no exceptions to the certification statement.