### **Supporting Statement A**

30 CFR 250, Subpart J, Pipelines and Pipeline Rights-of-Way (ROW)
Forms BSEE-0149 – Assignment of Federal OCS Pipeline Right-of-Way Grant, and
Form BSEE-0135 – Designation of Right-of-Way Operator
OMB Control Number 1014-0016

Expiration Date: August 31, 2018

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 at (43 U.S.C. 1334), authorizes the Secretary of the Interior to prescribe rules and regulations necessary for the administration of the leasing provisions of the Act related to mineral resources on the OCS. Such rules and regulations apply to all operations conducted under a lease, pipeline right-of-way (ROW), or a right-of-use and easement. Section 1334(e) authorizes the Secretary to grant ROWs through the submerged lands of the OCS for pipelines ". . . for the transportation of oil, natural gas, sulfur, or other minerals, or under such regulations and upon such conditions as may be prescribed by the Secretary, . . . including (as provided in Section 1347(b) of this title) assuring maximum environmental protection by utilization of the best available and safest technologies, including the safest practices for pipeline burial. . . ."

In addition to the general rulemaking authority of the OCSLA at 43 U.S.C. 1334, section 301(a) of the Federal Oil and Gas Royalty Management Act (FOGRMA), 30 U.S.C. 1751(a), grants authority to the Secretary to prescribe such rules and regulations as are reasonably necessary to carry out FOGRMA's provisions. While the majority of FOGRMA is directed to royalty collection and enforcement, some provisions apply to offshore operations. For example, section 108 of FOGRMA, 30 U.S.C. 1718, grants the Secretary broad authority to inspect lease sites for the purpose of determining whether there is compliance with the mineral leasing laws. Section 109(c)(2) and (d)(1), 30 U.S.C. 1719(c)(2) and (d) (1), impose substantial civil penalties for failure to permit lawful inspections and for knowing or willful preparation or submission of false, inaccurate, or misleading reports, records, or other information. Because the Secretary has delegated some of the authority under FOGRMA to BSEE, 30 U.S.C. 1751 is included as additional authority for these requirements.

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 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, BSEE is required to charge fees 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. Pipeline and assignment applications are subject to cost recovery, and BSEE regulations specify the service fees.

This authority and responsibility are among those delegated to BSEE. The regulations at 30 CFR 250, Subpart J, pertain to the regulatory requirements relating to pipelines and pipeline ROWs on the OCS and are the subject of this collection. This collection also covers the related Notices to Lessees and Operators (NTLs) that BSEE issues to clarify and provide additional guidance on some aspects of the regulations.

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.

Lessees and pipeline ROW holders design the pipelines that they install, maintain, and operate. To ensure those activities are performed in a safe manner, BSEE needs information concerning the proposed pipeline and safety equipment, inspections and tests, and natural and manmade hazards near the proposed pipeline route. BSEE uses the information to review pipeline designs prior to approving an application for an ROW or lease term pipeline to ensure that the pipeline, as constructed, will provide for safe transportation of minerals through the submerged lands of the OCS. BSEE reviews proposed pipeline routes to ensure that the pipelines would not conflict with any State requirements or unduly interfere with other OCS activities. BSEE reviews proposals for taking pipeline safety equipment out of service to ensure alternate measures are used that will properly provide for the safety of the pipeline and associated facilities (platform, etc.). BSEE reviews notifications of relinquishment of ROW grants and requests to decommission pipelines for regulatory compliance and to ensure that all legal obligations are met. BSEE monitors the records concerning pipeline inspections and tests to ensure safety of operations and protection of the environment and to schedule witnessing trips and inspections. Information is also necessary to determine the point at which DOI or Department of Transportation (DOT) has regulatory responsibility for a pipeline and to be informed of the identified operator if not the same as the pipeline ROW holder.

The forms included with this IC request are:

### BSEE-0149 – Assignment of Federal OCS Pipeline Right-of-Way Grant

BSEE uses the information to track the holdership of pipeline ROWs; as well as use this information to update the corporate database that is used to determine what leases are available for a Lease Sale and the ownership of all OCS leases.

The form asks the pipeline ROW holder to provide:

- Part A Assignment
  - the legal description of the pipeline ROW grant being assigned,
  - what specifically the pipeline ROW holder is selling, assigning, or transferring,
  - the company name and number of each assignor and assignee,

- the percentage interest conveyed, and
- the percentage interest received.
- Part B Certification and Acceptance
  - assignor(s) signature, name, title, and date, and
  - assignee(s) signature, name, title, and date.

If we approve the assignment, the authorized BSEE official signs and dates the form, and the assignment becomes effective on the date specified by us.

## Form BSEE-0135 – Designation of Right-of-Way Operator

BSEE uses the information to identify who has the authority to act on the ROW grant holder's behalf to fulfill obligations under the OCS Lands Act; as well as, BSEE may provide to the designated ROW operator written or oral instructions in securing compliance with the ROW grant in accordance with applicable laws and regulations.

The form asks the pipeline ROW holder to provide:

- Pipeline ROW Grant Number
- Regional Office
- Name and address of Operator
- ROW grant description, including ROW and Pipeline Segment Numbers
- Identified ROW pipeline operator and GOM ID number
- Signatory name, title, and date
- 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, 10 percent of all information is submitted electronically. The Gulf of Mexico OCS Region (GOMR) is the only region currently involved in new pipeline construction, and it receives approximately 99 percent of the information collection under subpart J. BSEE encourages respondents to use the forms available on the website and submit them electronically as attachments to secure emails or process and submit via eWell if applicable.

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 DOI and DOT share jurisdiction over the design, construction, operation, maintenance, and inspection of offshore pipelines located on the OCS. This shared jurisdiction is administered under an MOU. Individual operators of production and transportation facilities define the boundaries of their respective adjoining facilities, thereby determining whether they are under DOI or DOT jurisdiction. According to the MOU, (a) DOI has exclusive jurisdiction for issuing pipeline ROWs on the OCS; (b) DOI acts as DOT's agent in inspecting transportation-related pipelines and associated facilities for compliance with DOT regulations; and (c) the departments work together to avoid duplication in

regulations, recordkeeping, or reporting requirements. We use the recordkeeping and reporting required under subpart J in carrying out our responsibilities for pipelines on the OCS. The information 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 could have a significant economic effect on a substantial number of small entities. Pipeline operations conducted on the OCS are relatively large in scale and technically complex. The conduct of these activities requires that a company have a large source of financial resources. However, approximately 65 percent of the companies have less than 500 employees and are considered small businesses as defined by the Small Business Administration. BSEE regulations require safe work practices and environmental protection; therefore, the hour burden on any small entity subject to these regulations and associated collection of information cannot be reduced to accommodate them. Regulations require safe work practices and protection of the environmental resources; therefore, the hour burden on any small entity subject to these regulations and associated collection of information 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, BSEE could not carry out its mandates under the OCS Lands Act. BSEE would not have the information to make informed decisions on pipeline design, construction, modification, decommissioning, etc., or to approve applications for pipeline ROW grants. The frequency of submission is on occasion or annually.

- 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;
- (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;* Respondents must submit four copies of pipeline applications and supporting documents to BSEE. The original application is for technical review and to file; one copy each is necessary for environmental review and transmittal to the appropriate Federal agencies, and a copy is for the public.
- (d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than 3 years;
- (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;
- (f) requiring the use of statistical data classification that has been reviewed and approved by OMB;
- (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

(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.

Not applicable in this collection.

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 1320.8(d), BSEE published a 60-day notice on November 16, 2017, in the *Federal Register* (82 FR 53518). Also, 30 CFR 250.199 explains that BSEE will accept comments at any time on the information collection burden of our 30 CFR 250 regulations and related form. We display the OMB control numbers and provide the address for sending comments to BSEE. We received no comments in response to the Federal Register notice or unsolicited comments from respondents covered under these regulations.

To prepare this ICR, companies were contacted to determine the estimated burden this subpart places on respondents. The following company representatives that commented were:

British Petroleum (BP) Regulatory Compliance & Permitting TL, +1 832 619 5040, 501 Westlake Park Boulevard, Houston, TX 77079

Arena Offshore, LP, Regulatory Manager, (281) 681-9501, 4200 Research Forest Drive, Suite 230, The Woodlands, TX 77381

LLOG Exploration, (985) 801-4344, 1001 Ochsner Blvd., suite 100, Covington, LA 70433

Fieldwood Energy LLC, Regulatory Advisor, (713) 969-1000, 2000 W. Sam Houston Pkwy S., Suite 1200, Houston, TX 77042

Beta Offshore, Pipeline Superintendent, (562) 628-1526, 111 West Ocean Boulevard, Suite 1240, Long Beach, CA 90802

All the different reporting and recordkeeping requirements that are listed in the Subpart J burden table (Section A.12) were thoroughly reviewed by the company representatives listed. These representatives had no concerns regarding the availability of data, frequency of collection, clarity of instructions, and elements being collected at this time. The companies that replied to our request provided the burden estimates that are reflected in Section A.12.

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

BSEE does 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.

BSEE will protect any confidential commercial or proprietary information according to the Freedom of Information Act (5 U.S.C. 552) and DOI's implementing regulations (43 CFR 2); section 26 of OCSLA (43 U.S.C. 1352); 30 CFR 250.197, *Data and information to be made available to the public or for limited inspection*; and 30 CFR part 252, *OCS Oil and Gas Information Program*.

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.

No questions of a sensitive nature are asked.

- 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 lessees, lease operators, and holders of pipeline ROWs. 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 and are based on informal discussions with the listed respondents in Section A.8. Submissions are generally on occasion and are mandatory or are required to

obtain or retain a benefit. In calculating the burdens, we assumed that respondents perform certain requirements in the normal course of their activities. We consider these to be usual and customary and took that into account in estimating the burden. We estimate the total annual burden hours to be 34,560 as detailed in the following chart.

## **BURDEN BREAKDOWN**

| Citation<br>30 CFR 250<br>Subpart J                | Reporting & Recordkeeping<br>Requirement*   | Hour<br>Burden  | Average No. of<br>Annual<br>Responses                | Annual<br>Burden<br>Hours<br>(rounded) |
|--|---|---|--|--|
| and related<br>NTL(s)                              | -   | No  | ens  |  |
| 1000-1019  | General departure and alternative compliance requests not specifically covered elsewhere in subpart J regulations.  | 2   | 166 requests   | 332                                    |
| 1000-1008  | Make available to BSEE design, construction, operation, maintenance, testing, and repair records on lease-term P/Ls <sup>2/</sup> .   | 5   | 128 lease-term<br>P/L operators                      | 640                                    |
| 1000(b)(1);<br>1004(b)(5);                         | Submit application and all required information and notices to install new L/T P/L.   | 92  | 52 new L/T P/L<br>applications                       | 4,784                                  |
| 1007(a)  |   |   | x 52 L/T P/L applic<br>\$184,132                     |  |
| 1000(b)(1);<br>1007(b)                             | Submit application and all required information and notices to modify a L/T P/L   | 30<br>\$2,056   | 98 modifications<br>x 98 L/T P/L applic<br>\$201,488 | 2,940<br>rations =                     |
| 1000(b)(1);  | Submit an application to decommission a lease-term pipeline   |   | vered under<br>), 30 CFR 250,                        | 0                                      |
| 1000(b)(2), (d);<br>1004(b)(5);<br>1007(a);        | Submit application and all required information and notices for new P/L ROW grant and to install a new ROW P/L.   | 107   | 64-new ROW<br>grant and P/L<br>applications          | 6,848                                  |
| 1009(a); 1015;<br>1016                             |   | \$2,771   | x 64 applications = $9$                              | \$177,344                              |
| 1000(b)(2), (3);<br>1007(b); 1017                  | Submit application and all required information and notices to modify a P/L ROW grant and to modify an  | 45  | 168<br>modifications                                 | 7,560                                  |
|  | ROW P/L (includes route modifications, cessation of operations, partial relinquishments, hot taps, and new and modified accessory platforms).   | \$4,169 x 168 applications = \$70                           |  | \$700,392                              |
| 1000(b)(3);<br>1010(h);<br>1017(b)(2)(ii);<br>1019 | Submit application and all required information and notices to relinquish P/L ROW grant.  | Burden covered under<br>1014-0010, 30 CFR 250,<br>Subpart Q |  | 0                                      |
| 1000(c)(2)   | Identify in writing P/L operator on ROW if different from ROW grant holder using form BSEE-0135.  | 1   | 12 submissions                                       | 12                                     |
| 1000(c)(3)   | Mark specific point on P/L where operating responsibility to operator or depict transfer point on a schematic located on the requirement after final rule published; now part of application involving no additional burdens. | he facility. (  | One-time   | 0                                      |
| 1000(c)(4)   | Petition BSEE for exceptions to general operations transfer point description.  | 5   | 1 petition   | 5                                      |
| 1000(c)(8)   | Request BSEE recognize valves landward of last production facility but still located on OCS as point where BSEE regulatory authority begins (none received to date).  | 1   | 1 request  | 1                                      |

| Citation<br>30 CFR 250<br>Subpart J<br>and related | Reporting & Recordkeeping<br>Requirement*   | Hour<br>Burden  | Average No. of<br>Annual<br>Responses | Annual<br>Burden<br>Hours<br>(rounded) |
|--|---|---|---------------------------------------|--|
| NTL(s)   |   | No  | ens                                   |  |
| 1000(c)(12)  | Petition BSEE to continue to operate under DOT regulations upstream of last valve on last production facility (one received to date).             | 40  | 1 petition                            | 40                                     |
| 1000(c)(13)  | Transporting P/L operator petition to DOT and BSEE to continue to operate under BSEE regulations (none received to date)                          | 40  | 1 petition                            | 40                                     |
| 1004(b)(5)   | In lieu of a continuous volumetric comparison system, request substitution; submit any supporting documentation if requested/required.            | 35  | 1 submittal                           | 35                                     |
| 1004(c)  | Place sign on safety equipment identified as ineffective and removed from service.  | See   | e footnote <u>1</u> /                 | 0                                      |
| 1005(a)  | Inspect P/L routes for indication of leakage <sup>1</sup> , record results, maintain records 2 years <sup>2</sup> .                               | 2 per<br>month =<br>24  | 128 lease-term<br>P/L operators       | 3,072                                  |
| 1007(a)(4)(i)<br>(A); (B); (C)                     | Provide specified information in your pipeline application if using unbonded flexible pipe.   | 4   | 20 submittals                         | 80                                     |
| 1007(a)(4)(i)<br>(D)                               | Provide results of third party IVA review in your pipeline application if using unbonded flexible pipe.   | For risers, this verification is included in the CVA analysis. For jumpers, it is not required. |                                       | 0                                      |
| 1007(a)(4)(ii)                                     | Provide specified information in your pipeline application.   | 25  | 40 applications                       | 1,000                                  |
| 1008(a)  | Notify BSEE before constructing or relocating a pipeline.   | 1/2   | 62 notices                            | 31                                     |
| 1008(a)  | Notify BSEE before conducting a pressure test.  | 1/2   | 87 notices                            | 44                                     |
| 1008(b)  | Submit L/T P/L construction report.   | 18  | 28 reports                            | 504                                    |
| 1008(b)  | Submit ROW P/L construction report.   | 19  | 17 reports                            | 323                                    |
| 1008(c)  | Notify BSEE of any pipeline taken out of service.   | 1/2   | 415 notices                           | 208                                    |
| 1008(d)  | Notify BSEE of any pipeline safety equipment taken out of service more than 12 hours.   | 1/2   | 2 notices                             | 1                                      |
| 1008(e)  | Notify BSEE of any repair and include procedures.   | 3   | 156 notices 3 x 156 notices = \$6     | 468                                    |
| 1008(e)  | Submit repair report.   | 4   | 132 reports                           | 528                                    |
| 1008(f)  | Submit report of pipeline failure analysis.   | 1/2   | 4 reports                             | 2                                      |
| 1008(g)  | Submit plan of corrective action and report of any remedial action.   | 13  | 19 plans/reports                      | 247                                    |
| 1008(h)  | Submit the results and conclusions of pipe-to-electrolyte potential measurements.   | 1   | 794 results                           | 794                                    |
| 1010(c)  | Notify BSEE of any archaeological resource discovery.   | 5   | 1 notices                             | 5                                      |
| 1010(d)  | Notify BSEE of P/L ROW holder's name and address changes.   | Not considered IC under 5<br>CFR 1320.3(h).   |                                       | 0                                      |
| 1010(g)  | Make available to BSEE design, construction, operation, maintenance, testing, and repair records on P/L ROW area and improvements <sup>2/</sup> . | 5   | 87 P/L ROW<br>holders                 | 435                                    |
| 1015   | Submit application and all required information and notices for a P/L ROW grant to convert a lease-term P/L                                       | 15  | 6 conversions                         | 90                                     |
|  | to an ROW P/L.  | \$236 x 6 applications = \$1,416  |                                       |  |

| Citation<br>30 CFR 250<br>Subpart J | Reporting & Recordkeeping<br>Requirement*  | Hour<br>Burden        | Average No. of<br>Annual<br>Responses   | Annual<br>Burden<br>Hours<br>(rounded) |  |
|-------------------------------------|--|-----------------------|---|--|--|
| and related<br>NTL(s)               | •  | Non-Hour Cost Burdens |   |  |  |
| 1016                                | Request opportunity to eliminate conflict when an application has been rejected.                         | 5                     | 1 request                               | 5                                      |  |
| 1018                                | Submit application and all required information and notices for assignment of a pipeline ROW grant using |                       | 269 assignments                         | 3,497                                  |  |
|                                     | Form BSEE-0149 (burden includes approximately 30 minutes to fill out form).                              | \$201 x 26            | \$201 x 269 P/L ROW requests = \$54,069 |  |  |
| TOTAL HOUR BURDENS                  |  |                       | 2,961 responses                         | 34,560<br>hours                        |  |
|                                     |  |                       | \$1,379,369 non-hour cost<br>burdens    |  |  |

<sup>1/</sup> These activities are usual and customary practices for prudent operators.

(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.

The average respondent cost is \$122/hour. This cost is broken out in the following table using the Society of Petroleum Engineers (SPE) data dated November 2017. See SPE document/website: https://www.spe.org/industry/docs/2017-Salary-Survey-Highlight-Report.pdf

| Position                   | Hourly Pay rate<br>(\$/hour estimate) | Hourly rate including benefits (1.4* x \$/hour) | Percent of time<br>spent on<br>collection | Weighted<br>Average<br>(\$/hour) |
|----------------------------|---------------------------------------|---|---|----------------------------------|
| Non-Engineering Technical  | \$76.69                               | \$107.36  | 25%                                       | \$26.84                          |
| Production Engineer        | \$90.33                               | \$126.47  | 75%                                       | \$94.85                          |
| Weighted Average (\$/hour/ | \$122                                 |   |   |                                  |

<sup>\*</sup>A multiplier of 1.4 (as implied by BLS news release USDL-18-0944, June 8, 2018 (see <a href="https://www.bls.gov/news.release/pdf/ecec.pdf">https://www.bls.gov/news.release/pdf/ecec.pdf</a>)) was added for benefits.

Based on a cost factor of \$122 per hour, we estimate the hour burden as a dollar equivalent to industry is 4,216,320 (\$122 x 34,560 hours = \$4,216,320).

- 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 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). 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

<sup>2/</sup> Retaining these records is usual and customary business practice; required burden is minimal to make available to BSEE.

<sup>\*</sup> In the future, BSEE will be allowing the option of electronic reporting for certain requirements.

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 IC request includes seven non-hour cost burdens, all of which are the cost recovery fees required under 30 CFR 250, subpart J. However, note that 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 of the non-hour cost burden (cost recovery fees) in this IC request is an estimated \$1,379,369.

The non-hour cost burdens required in 30 CFR 250, subpart J (and respective cost-recovery fee amount per transaction) are required under:

- § 250.1000(b) New Pipeline Application (lease term) \$3,541
- § 250.1000(b) Pipeline Application Modification (lease term) \$2,056
- § 250.1000(b) Pipeline Application Modification (ROW) \$4,169
- § 250.1008(e) Pipeline Repair Notification \$388
- § 250.1015(a) Pipeline ROW Grant Application \$2,771
- § 250.1015(a) Pipeline Conversion from Lease Term to ROW \$236
- § 250.1018(b) Pipeline ROW Assignment \$201
- 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 \$66/hour. This cost is broken out in the below table using the current Office of Personnel Management salary data for the REST OF THE UNITED STATES and applicable SPECIAL RATES (<a href="https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/">https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/</a>).

| Position           | Grade  | Hourly Pay rate (\$/hour estimate) | Hourly rate<br>including<br>benefits (1.6* x<br>\$/hour) | Percent of time spent on collection | Weighted<br>Average<br>(\$/hour) |
|--------------------|--------|------------------------------------|--|-------------------------------------|----------------------------------|
| Clerical           | GS-5/5 | \$18.13                            | \$29.01  | 3%                                  | \$0.87                           |
| Petroleum Engineer | GS-9/5 | \$27.48                            | \$43.97  | 30%                                 | \$13.19                          |

| Senior Petroleum Engineer  | GS-13/5 | \$47.38 | \$75.81 | 62% | \$47.00 |
|----------------------------|---------|---------|---------|-----|---------|
| Supv. Petroleum Engineer   | GS-14/5 | \$55.99 | \$89.58 | 5%  | \$4.48  |
| Weighted Average (\$/hour) |         |         |         |     | \$66    |

<sup>\* \*</sup>A multiplier of 1.6 (as implied by BLS news release USDL-18-0944, June 8, 2018 (see <a href="https://www.bls.gov/news.release/pdf/ecec.pdf">https://www.bls.gov/news.release/pdf/ecec.pdf</a>)) was added for benefits.

To analyze and review the information required by 30 CFR 250, Subpart J, we estimate the government will spend an average of 1 hour for each hour spent by respondents for a total of 34,560 burden hours. The average Federal cost is \$66 per hour.

Based on a cost factor of \$66 per hour, we estimate the hour burden as a dollar equivalent annualized cost to the Government is \$2,280,960 (34,560 hours x \$66 = \$2,280,960).

## 15. Explain the reasons for any program changes or adjustments.

The changes are as follows:

- a. The currently approved annual hour burdens are 36,564 hours. This submission requests 34,560 hours. This is an adjustment decrease of 2,004 hours. Over the past 3-year cycle, we have received less submittals.
- b. The currently approved non-hour cost burden is \$1,508,968. This submission requests \$1,379,369. This represents an adjustment decrease of \$129,599 due to re-estimating the number of annual responses times its non-hour cost burden. Over the past 3-year cycle, less applications have been received that have an applied cost recovery fee.
- 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.

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.

BSEE will display the OMB control number and approved expiration date.

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

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."