

U.S. Department of Energy
Supporting Statement:
Energy Efficiency and Conservation Block Grant Program
OMB Control Number 1910-5150

This supporting statement provides additional information regarding the Department of Energy's (DOE) request to extend the information collection, *Energy Efficiency and Conservation Block Grant Program (EECBGP)*. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, "Instructions for Completing OMB Form 83-I."

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

DOE requires the collection of information for the *EECBGP*, as set forth in Funding Opportunity Announcement DE-FOA-0000013 (Attachment C), the Energy Independence and Security Act of 2007 (EISA) (P.L. 110-140). This collection also meets OMB requirements for: (1) administration of American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) (Pub. L. No. 111-5) Financing programs created as part of the *EECBGP* formula and competitive grants; and (2) ARRA funds. The *EECBGP* is authorized under the Energy Policy and Conservation Act (EPCA), as amended (42 U.S.C. § 6321 *et seq.*).

DOE provides Federal financial assistance and technical support to state, local, and tribal governments under the EISA. Information gathered provides current data required to respond to OMB, congressional and consumer requests, and for budget preparation.

The *EECBGP* was allocated \$3.2 billion, \$2.7 billion of which was apportioned to states, territories, tribes, and units of local government through a distribution formula based on population. These funds were intended to help expand local energy efficiency efforts and reduce energy use in the transportation, building, and other appropriate sectors.

The remaining *EECBGP* funds have been allocated via two competitive programs, *EECBGP* Competitive Topic One (Topic 1) and *EECBGP* Competitive Topic Two (Topic 2). Topic 1 is the *Better Buildings Neighborhood Program (BBNP)*, which supports innovative programs that are structured to provide whole-neighborhood building energy retrofits. Twenty-five recipients were awarded funding under Topic 1. Topic 2 is the General Innovation Fund, which supports cities, counties, and state-recognized Indian Tribes that are not eligible to receive population-based formula grant allocations from DOE under the *EECBGP*. These funds are intended to help expand local energy efficiency efforts and reduce energy use in the transportation, building, and other appropriate sectors. Twenty recipients were awarded funding under Topic 2.

For the purposes of administration, nine Topic 2 recipients were administered by the *Building Technologies Program* in conjunction with Topic 1 in the *BBNP*. The remaining eleven Topic 2 recipients were administered by the *Weatherization and Intergovernmental Program (WIP)*. All grantees (formula, Topic 1, and Topic 2) that created ARRA Financing programs will continue to be monitored by *WIP*, and will report pursuant to the requirements of the same Annual Report.

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

The information collected is used by DOE program staff to track the recipients' activities, monitor their progress, and assess Financing program expenditures and the revolution of funds. The collected information also enables program staff to provide required or requested information on program activities to OMB, Congress, and the public. This is an important component to demonstrating the impact and success of the *EECBGP* formula and competitive Financing programs.

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.

All *EECBGP* Financing programs created in either formula or competitive grants are administered by the *WIP* and report through the *Performance and Accountability for Grants in Energy (PAGE)* online database. *PAGE* provides all *EECBGP* recipients with the ability to electronically submit and manage grant performance and financial information. This online system allows DOE to administer the *EECBGP* grants and provides all network users with access to current program records. *PAGE* reduces data redundancy and paperwork, offering universal and complementary data collection via electronic forms that enable program-wide data mining and analysis. The *PAGE* electronic reporting system also prevents data redundancy by allowing information to be transposed into multiple fields without having to be re-entered. It ensures accurate calculations, since they are performed automatically by the system, therefore reducing user error and time.

4. Describe efforts to identify duplication.

The information collected by DOE from the *EECBGP* Financing programs is generally specific to the *EECBGP*. The information collected is for the management of the Financing programs and is not duplicated by other agencies or programs. General and broad questions are avoided to prevent crossovers between this and other programs.

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. Only small, local governments, and tribal entities are subject to the reporting requirements. The web-based system, utilized since 2014, has not posed a problem for state and local governments, or tribal entities. DOE has provided technical assistance to all Financing program managers via a reporting webinar in 2016, and one-on-one phone calls with all Financing programs.

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 subject to increased attention and scrutiny from OMB, Congress, the General Accountability Office (GAO), the DOE Office of the Inspector General (OIG), the media, and the public. If this information is not collected, DOE will be unable to provide substantive reports to OMB, or respond to requests for information on ARRA-funded activities and expenditures. If the information is collected less frequently, DOE will be unable to provide the necessary oversight of the grants, and timely information will not be available to OMB, Congress, the GAO, the OIG, the media, and the public.

Annual reporting creates accountability for Financing program managers to highlight problems, barriers, risks, and successful implementation to ensure successful stewardship of the *EECBGP* Financing programs. Annual reporting facilitates DOE's ability to monitor conformance of the management of Federal funds with grant terms and conditions, and ARRA provisions. If this information collection is not conducted, DOE's ability to oversee *EECBGP* Financing programs will be restricted, including the capacity to provide relevant information to stakeholder constituents. Furthermore, DOE will be unable to scrutinize Financing programs for potential waste, fraud, or abuse of Federal funds.

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

There are none. The information collection is being conducted in a manner that is consistent 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 comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE.

DOE published a 60-day *Federal Register Notice* and Request for Comments concerning this collection in the *Federal Register* on September 12, 2017 (Vol. 82; No. 175; Page 42805). 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 has been, or will be, provided to 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, however, Financing program managers may collect some forms of confidential information for their own 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.

No questions of a sensitive, personal, or private nature are being asked.

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

The *EECBGP* burden below reflects Financing programs that were created in the *EECBGP* formula and competitive grant. The total burden calculation is provided for all Financing programs, regardless of grant origin. The reporting form and instructions are the same for all Financing programs.

EECBGP Formula Program Burden Estimates

The estimates below reflect only Financing programs that continue indefinitely. These programs are generally in the form of Revolving Loan Funds and Loan Loss Reserves. Retired grants are not required to report. Beginning in September 2014, grants that include only Financing programs were asked to report annually (instead of quarterly).

The guidance on Financing programs is available here:

<https://energy.gov/eere/wipo/articles/energy-efficiency-and-conservation-block-grant-financing-programs-after-grant>.

***EECBGP* Formula - Annual Reporting burden for reporting entities**

As of the reporting period ending September 30, 2016, there were 108 reporting entities that will file 175 ARRA Annual Reports on their Financing programs. They are required to report annually for as long as the Financing programs continue to operate with Federal funds. This annual reporting replaced quarterly reporting in September 2014. Each grantee will submit data for their Annual Report to *PAGE*, the electronic reporting system. After consulting with Financing program managers, *EECBGP* has determined that it will take 3 hours for Financing program managers to complete an ARRA Annual Report.

- 175 Financing program reports x 3 hours x 1 annual report = 525 hours annually

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

DOE assumes a rate of \$40/hour for state, local, and tribal governments as shown below.

- 175 reports x 3 hours/year = 525 hours/year
- 525 hours/year x \$40/hour = \$21,000/year

Per the *EECBGP* (formula and competitive) Funding Opportunity Announcement:

State applicants may expend no more than 10% of amounts provided under the program for payment of reasonable administrative and planning costs. This includes the cost of reporting.

Local governments and tribes may expend up to 10% or \$75,000, whichever is greater, of grant funds for administrative expenses, excluding the cost of meeting the reporting requirements of a Program. Administrative costs are the allowable, reasonable, and allocable direct and indirect costs related to overall management of the awarded grant.

Per the *EECBGP* Notice 09-002D, revised May 26 2016, program income from the Financing programs, for example, interest payments, can be used for administrative costs above and beyond the statutory 10% cap.

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

The development, hosting, and maintenance costs associated with the *PAGE* system are shared among three separate programs – *EECBGP*, *WAP*, and *State Energy Program (SEP)*. Currently, *PAGE* system maintenance and operational costs are estimated at \$113,000/month, or \$1,356,000/year; *EECBGP*'s portion is approximately \$150,000/year. This is based on one ninth of the total cost, because *SEP* and *WAP* each require four quarterly reports, for a total of eight reports, along with one annual report.

The estimated federal burden for 2017 is based on the total number of hours it would take to complete desktop reviews of reports and verify information that is unclear. The estimate for a fully burdened, average full time equivalent (FTE) is approximately \$72.00/hour. DOE approximates 2 hours to review each report.

- 175 reports/year x 2 hours/report x \$72.00/hour = \$25,200

Thus, the total cost to the federal government for these reports is \$150,000 + \$25,200 = \$175,200.

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

The reporting burden was reduced for a variety of reasons, to include the retiring of grants, the changing of annual reporting from quarterly to annual, and the removal of impact metric reporting requirements for *EECBGP* formula grantees.

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

DOE has no plans to publish the data from the ARRA Annual Reports.

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

Currently, OMB control numbers, expiration dates, and burden statements are displayed in *PAGE*, and will be displayed on any forms utilized. Therefore, DOE is not seeking approval to not display the expiration date.

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

There are no exceptions being requested.