

**U.S. Department of Energy
Supporting Statement
Loan Programs Office
OMB Control Number: 1910-5137
10 CFR Part 611**

**“Application for Loans Under the Advanced Technology Vehicles Manufacturing
Incentive Program”**

This supporting statement provides additional information regarding the Department of Energy (DOE or Department) request for reinstatement of a previously approved information collection by the Loan Programs Office (LPO).

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Approval of this Information Collection Request (ICR) is being requested to effectively manage LPO funds and ensure the Department meets public transparency and accountability standards.

Section 136 of the Energy Independence and Security Act of 2007 (EISA) (42 U.S.C. 17013), authorizes the Secretary of Energy (Secretary) to make grants and direct loans to eligible applicants for projects that reequip, expand, or establish manufacturing facilities in the United States to produce qualified advanced technology vehicles, or qualifying components, and for associated engineering integration costs.

Pursuant to Section 136 of EISA, which enacted the Advanced Technology Vehicle Manufacturing Incentive Program (ATVM), DOE promulgated an interim final rule in 2007, setting forth the basic applicant eligibility and project eligibility requirements for both the grant and the loan program (10 CFR Part 611).

This information collection is needed to obtain from applicants the information that needs to be evaluated by DOE in order to determine whether to make a loan or grant to such applicant.

This information collection is also necessitated by requirements and requests for timely information on program activities to the Office of Management and Budget (OMB), Congress and the public.

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.

The information collected will be used by DOE to plan, manage, and evaluate the ATVM Program. The information will be used to answer congressional, budget and public inquiries. Additionally, the collection helps the LPO to manage its funds and make projections as to risks.

The information collected will be used to determine applicant eligibility for assistance under the ATVM Program, to evaluate applications received, and to protect the government's financial interests.

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.

LPO requires that applications be submitted in electronic format through LPO's electronic application portal, which can be found at <http://apps.loanprograms.energy.gov>. Only the most basic information about the applicant will be entered by applicant at the application portal by typing such information, such as project names or brief descriptions, directly into text boxes. Other basic information (such as project or application categories) will be provided by the applicant by making selections from an online menu.. The remaining information required by the application will be collected by allowing the applicant to upload it electronically through the application portal. These means of collecting information were adopted to make submitting, retrieving, and using the information easier and cheaper, reducing the hour burden and the cost burden.

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.

Neither DOE nor other federal agencies collect similar information from applicants for DOE loans. Companies that sponsor projects that may be eligible for assistance under the ATVM Program necessarily develop similar information as they seek debt financing and equity investment for their projects. These companies will be able to use much of this information already assembled or prepared in responding to this information collection, thus reducing the burden on respondents.

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

Most eligible projects will be larger than those that small businesses usually undertake. Nevertheless, LPO has taken steps to increase the attractiveness of the program to smaller businesses. There are no application fees associated with applications under the program, and the application encourages prospective applicants to consult with program staff before submitting an application. This allows prospective applicants to better understand

eligibility and related program requirements before incurring the burden and cost associated with submission of an application.

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 the information is not collected, DOE will be unable to implement Section 136 of EISA (42 U.S.C. 17013).

Additionally, if the information is not collected, DOE will be unable to effectively respond to congressional, budget, and general public inquiries about LPO program activity.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines. (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; (c) requiring respondents to submit more than an original and two copies of any document; (d) requiring respondents to retain records, other than health, medical government contract, grant-in-aid, or tax records, for more than three years; (e) in connection with a statistical survey, that is not designed to product valid and reliable results that can be generalized to the universe of study; (f) requiring the use of statistical data classification that has not been reviewed and approved by OMB; (g) that includes a pledge of confidentiality that is not supported by authority established in stature of 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; (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.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines. The collection is consistent with OMB guidelines.

LPO notes that because the projects seeking assistance under the ATVM Program may employ new or innovative technologies or otherwise depend on confidential business information, the applicants may submit proprietary trade secrets and other confidential business information from time to time in order to justify the extension of assistance under the ATVM Program. LPO can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

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 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.

The information required to be submitted under the ATVM Program was established under interim final regulations implementing Section 136 of EISA, located at 10 CFR part 611.

In accordance with the requirements of the Paperwork Reduction Act, DOE issued a notice and request for comments with respect to the proposed reinstatement/extension of its information collection for the Section 136 program as set forth in 10 CFR Part 611. Such 60-day notice was published in the Federal Register on August 15, 2018, Volume 83, Number 158, Page 40504.

DOE did not receive any public comments in response to such notice.

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

No payment or gift to respondents is being proposed under this information collection.

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

The information and materials DOE requires from an applicant for the applicant to demonstrate compliance with the information collection requirements of 10 CFR Part 611 do not include any request for personally identifiable information.

The LPO application portal specifically advises respondents as follows with respect to potentially confidential information:

If elements and/or attachments of an application for a loan under Section 136 of the Energy Independence and Security Act of 2007 (the U.S. Department of Energy's [DOE] Advanced Technology Vehicles Manufacturing Incentive Program) contain information the applicant considers to be trade secret, confidential, privileged or otherwise exempt from disclosure under the Freedom of Information Act (FOIA, 5 U.S.C. 552), the applicant shall assert a claim of exemption at the time of application by placing the following text on the first page

of the application, and specify the page or pages of the application to be restricted:

“The data contained in pages [_____] of this document which hereby forms a part of the application have been submitted in confidence and contain trade secrets of proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that, if this applicant is issued a loan under Section 136 of the Energy Independence and Security Act of 2007 as a result of or in connection with the submission of this application, DOE shall have the right to use or disclose the data herein, other than such data that have been properly reasserted as being trade secret or proprietary in the loan agreement. This restriction does not limit the government’s right to use or disclose data obtained without restriction from any source, including the applicant.”

To further protect trade secret, confidential, privileged or otherwise exempt information, each line or paragraph on the page or pages containing such data must be specifically identified and marked with text that is similar to the following:

“The following contains proprietary information that [name of applicant] requests not be released to persons outside the Government, except for purposes of review and evaluation.”

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 personally sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private are included in this information collection. The information collected is of a programmatic, technical, and financial nature. As a condition of the receipt of program assistance under the ATVM Program, the information collection requires that respondents provide disclosure of income data, debts, and assets, and history of business dealings that may be considered sensitive but which are customarily required even for private sector financing transactions of similar size and complexity. Respondents interviewed indicated no problems or concerns with providing the information requested by this collection. They understand the necessity due to the nature of the assistance and realize this is standard practice when requesting credit assistance. Disclosure by DOE is governed by the Privacy Act of and the Freedom of Information Act (5 U.S.C. § 552a).

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

The responses that are required in this information collection include quite complex technical and financial information, including information regarding innovative technologies and financial models. Accordingly, the estimate of hour burden of the information collection is as follows:

Total number of unduplicated respondents: 7
 Reports filed per person: 1
 Total annual responses: 7
 Total annual burden hours: 930 hours

Average Burden

Per Collection: 132.5 hours
 Per Applicant: 132.5 hours

The estimates above were made on the basis of the experience of LPO in administering the program and the collective experience in particular of LPO’s staff collecting this information in connection with the LPO programs and working with applicants. The estimates are based on the assumption described in response to item 13 below regarding the type of applicant staff typically involved in furnishing the required information and the time required of each staff type.

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

The estimate of cost for the hour burden of the information collection is \$26,296 per applicant. A breakout estimating the various components of this estimated cost (e.g. collecting data, compiling information, reviewing, submitting, legal review), which takes into account the assumed salaries of the positions that would be required to prepare the application (e.g. clerical, engineer, legal) is:

| ESTIMATED COST BURDEN TO APPLICANT | | | |
|------------------------------------|--------|-------|------------------|
| FUNCTION | RATE | HOURS | TOTAL COST |
| Collecting information | \$ 79 | 40.0 | \$ 3,155 |
| Compiling information | \$ 79 | 40.0 | \$ 3,155 |
| Management review | \$ 263 | 20.0 | \$ 5,259 |
| Legal review | \$ 657 | 20.0 | \$ 13,148 |
| Submitting information | \$ 53 | 10.0 | \$ 526 |
| Other labor/services | \$ 21 | 2.5 | \$ 52 |
| General expense* | n/a | n/a | \$ 1,000 |
| TOTAL | | | \$ 26,296 |

* General expenses include supplies, delivery charges, mailing, copying, telecommunications, etc.

Other than the hour burden and estimated amount for general expenses such as the cost of the CDs, if the applicant copies the application onto CDs, and express mailing, etc., it should not be necessary for the respondent to incur any costs for capital, start-up, total operation, maintenance, or purchase of services other than what is usual and customary for normal business operations.

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

The estimated annual cost to the Federal government for reviewing the information requested in this information collection is between \$1,050,000 and \$2,800,000, or an average of \$1,925,000. The estimated cost incurred by LPO for the review of a single full application is estimated to be between \$150,000 and \$400,000, depending on the complexity of the application, based on the cost of the team of employees that processes the applications, including the employee salary, benefits, and miscellaneous expenses associated with the typical team (which varies from application to application) reviewing such applications, all based on the 2018 loaded wage rates for federal employees.

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

As described in Item 13 of the form, due to programmatic changes, DOE estimates fewer responses annually, reducing its estimated annual responses from 25 responses to 7 responses. Assuming an hourly burden estimate of 132.5 per respondent per response, this equates to total respondent hours of 928 per year. The reduction in the estimated number of responses and corresponding total hours arises specifically from the program's efforts to better educate prospective applicants upfront about eligibility issues and related requirements of the application process, through which efforts DOE expects fewer, but higher quality applications each year in the future.

The previously approved information collection also included calculation errors. Previously, DOE included an estimate of 1,447 hours per respondent per response, but such estimate was miscalculated (the previously estimated hour burden per response was erroneously multiplied by the estimated by the number of responses, then estimated at 25, to incorrectly calculate the hour burden per applicant, and then multiplied by 25 again to severely overestimate the total annual burden hours at 37,163).

The current baseline hour and cost burdens were estimated after ten years of experience with the administration of the ATVM Program along with the LPO's experience with loan guarantee programs that collect substantially the same information to evaluate loan guarantee applicants.

All information that is being collected pursuant to this information collection request is information the applicants already have in their possession already. The burden estimate for the information collection request is based on the estimated time it will take to organize and assemble responses. The burden estimate considers the time it will take to pull together, organize, and upload all of the information requested as part of an

application. Based on LPO's experience administering these programs, LPO understands that its applicants have the information available requested by the application before it is requested by the LPO. Before making an application to the LPO (the response to the information collection request) the applicants will have used the information in some form for the purposes of securing other lenders and raising equity.

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.

There will be no collections of information for which results will be published for statistical use. The information collected is not intended to be published. No complex analytical techniques will be employed. There will not be a report on the information LPO collects, other than quarterly and annual reporting on the progress of the ATVM Program as a whole.

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 OMB control number, OMB expiration date, and burden disclosure statement will be included on all forms and instructions, including the electronic forms found on DOE's application portal.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions to the certification statement in item 19.