



July 22, 2014

Mr. Tom Lorenz
Office of Energy Consumption and Efficiency Statistics
EI-22
Forrestal Building
U.S. Department of Energy
1000 Independence Ave, SW
Washington, D.C. 20585

**Re: Agency Information Collection Activities: Information Collection
Extension; Notice and Request for Comments (79 Fed. Reg. 29756, May 23,
2014); OMB No. 1905-0169**

Dear Mr. Lorenz:

AF&PA appreciates the opportunity to comment on the above-referenced Information Collection Extension (ICE). AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative - [Better Practices, Better Planet 2020](#). The forest products industry accounts for approximately 4.5 percent of the total U.S. manufacturing GDP, manufactures approximately \$200 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states. AF&PA members are required by law to complete the Manufacturing Energy Consumption Survey (MECS) and therefore have a direct interest in this action.

The Energy Information Administration (EIA) is seeking authorization under the Paperwork Reduction Act of 1995 to double the frequency of the MECS starting with calendar year 2014 (collecting information in 2015) and continuing with calendar year 2016 (collecting information in 2017). EIA states it is making other relatively minor changes to the MECS as well. For the reasons discussed below, AF&PA opposes this ICE, as EIA has not justified the need for the increased frequency and it has underestimated the burden on survey respondents.

The Information Sought is Not Necessary for the Proper Performance of the Functions of the Agency

The EIA Has Not Justified the Need for Increased Frequency

The EIA does not present any justification for changing the frequency of the MECS from four to two years, which admittedly would double the burden associated with its completion. Using the data frequency of four years, the EIA has been able to produce its desired forecasts; the change to a two year frequency is not justified by improved forecasts, particularly the forecasts extending forward twenty-five years in time. The EIA claims that there is “an increased importance of relevant energy data” but does not explain what that increased importance is nor how collecting the entire MECS on a two year frequency will address the issue of increased importance. The survey also collects data about physical capability to use energy, such as fuel switching and technology, which does not change frequently. The section on Energy Management also addresses issues that do not change frequently, so that a two year frequency is not necessary.

Other Existing Annual Surveys Can Provide Significant Portions of the Data Collected by the MECS

The EIA has annual data available from the Bureau of Census in years between the four year frequency of the current MECS, which provide quantity and price of fuels and electricity as well as value of shipments for many industrial NAICS codes. This provides considerable, annual trend data for these codes in the intervening years between the four-year collections and would provide the EIA with indications of any changes between the MECS. This also allows the EIA to fine tune the next MECS to address issues it believes should be surveyed.

The EIA also states that the 2014 and 2016 MECS will be used to update changes in the greenhouse gases (GHG) data series. Pursuant to 40 CFR Part 98, however, EPA already requires annual reporting of GHG data from a broad range of industry sectors.

We understand that the data collected and the facilities reporting to the Census and EPA are different than that for the MECS. Nonetheless, those agencies’ datasets can be made available to EIA and the agencies can develop ways in which the data can be analyzed or presented to be made more useful for EIA purposes.

In short, especially when considering the admitted doubling of the reporting burden, the EIA has not demonstrated that the ICE is “necessary for the proper performance of the functions of the agency.”

The ICE Underestimates the Burden of Collecting the Requested Information

Respondents' Collection Burden

The *Federal Register* notice (pgs. 29756-7) estimates approximately nine hours per respondent (95,160 burden hours divided by 10,333 responses).

The EIA's estimate of burden of approximately nine hours per survey is a serious underestimate. While the procedures and methods of record keeping among AF&PA members certainly vary, there are numerous departments within member companies that are involved in collecting, verifying, and submitting the requested information.

If one begins the data collection process with an engineer working with an accountant to gather the data and convert it to the form requested, the amount of time for the two individuals will be measured in days, not hours. There also will be time for consultation with others in departments, such as purchasing. The section on fuel switching should take the engineer a few hours and questions regarding prices differences for fuel switching will involve consultation with operations and possibly consideration of environmental effects. The energy management activities questions are not likely to be in the domain of the original engineer and accountant, so they will be best addressed by management. The energy technology questions also may require input from others. A review of the completed document by the facility management certainly is necessary as the facility management has the responsibility for completing the survey.

If the facility is part of a larger corporation, there likely will be a required review at the corporate level to check for consistency and any characterization of corporate knowledge or policy. As the completion and submission of MECS is required by law, there likely will also be a legal review. Every review has the possibility that a MECS response for a facility may have to be changed, thus consuming more time. Proper completion of a MECS for a facility is far from a trivial matter that the EIA burden estimate of approximately nine hours per respondent seems to assume.

The AF&PA has obtained some limited information from members about the expected burden of completing and submitting a MECS, based on a review of the instructions and forms and experience with completing and submitting previous MECS. A larger member of AF&PA has estimated that EIA's 9-hour burden estimate per form per facility may be accurate for the company's small, relative simple operations with similar infrastructures, but it severely underestimates the time needed to complete the MECS for its large operations with complex infrastructures; it can take up to 20 or more hours for those facilities to complete the MECS. This effort essentially requires the cessation of all other non-essential efforts in the unit within the company responsible for completing the MECS for a period of two months every 4 yrs. Most of the company's locations do not have the data or expertise to complete this form in a reasonably accurate manner so, as noted above, the corporate group provides the data and

resources. Doubling the frequency would probably force the company to hire a third party or consultant to either run the report or assist in its development. In either case, this will far exceed the 9-hour per facility burden estimate in equivalent dollar costs. This scenario (hiring a third party or consultant) likely would play out for small to medium sized companies that seek to ensure the appropriate accuracy of the information they submit to EIA, thereby causing the cost and burden hours to increase in multiples.

Another medium-sized member of AF&PA has tested completing the form and estimated that it will take 160 hours per location to complete it or 4 man-weeks per location. That company has 8 locations. These two companies have made improving energy efficiency a key priority, and thus it would be expected that they have robust energy data collection and reporting systems.

The above description of the completion and submission process demonstrates that the completion and submission burden of a MECS is far more than EIA anticipates.

Government Agency Reporting Burden

The collection and evaluation of MECS clearly entails much effort by federal government employees and/or contractors. No estimate of additional federal government cost for a two year frequency of the MECS is provided, but the information in the Federal Register doubles the estimate of burden of collection and submission on industry. Surely the burden on the Bureau of Census and EIA employees and contractors will double also. Federal funds should be spent effectively and as there is no justification for the two year frequency of collection of the MECS, EIA has not justified the expenditure of funds for the evaluation of the more frequent MECS

In conclusion, the forest products industry and many other industries must remain competitive in global markets. The EIA has provided no justification for the ICE to double the reporting frequency and burden of the MECS as compared to the direct and opportunity costs that would be imposed. Moreover, the ICE likely underestimates the substantial reporting burden associated with its completion. The benefits, if any, of a

Mr. Tom Lorenz
July 22, 2014
Page 5

two year frequency of the proposed MECS clearly do not justify the greatly increased burden on respondents as well as the Bureau of Census and the EIA.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Schwartz", with a stylized flourish at the end.

Jerry Schwartz
Senior Director
Energy and Environmental Policy