



*Representing the Interests of America's Industrial Energy Users since 1978*

July 22, 2014

**VIA E-MAIL**

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

**Re: Agency Information Collection Activities: Information Collection Extension: OMB Form EIA-846, OMB Control No. 1905-0169; Notice and Request for Comments; 79 Fed. Reg. 29756 (May 23, 2014)**

Dear Sir:

The Council of Industrial Boiler Owners (CIBO) appreciates the opportunity to comment on an Agency Information Collection Extension (ICE) submitted for approval to the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501 *et seq.*

CIBO is a broad-based association of industrial boiler owners, architect-engineers, related equipment manufacturers, and university affiliates with members representing 20 major industrial sectors. CIBO members have facilities in every region of the country and a representative distribution of almost every type of boiler and fuel combination currently in operation. CIBO was formed in 1978 to promote the exchange of information within the industry and between industry and government relating to energy and environmental equipment, technology, operations, policies, law and regulations affecting industrial boilers. Since its formation, CIBO has been active in the development of technically sound, reasonable, cost effective energy and environmental regulations for industrial boilers. CIBO supports regulatory programs that provide industry with enough flexibility to modernize – effectively and without penalty – the nation's aging energy infrastructure, as modernization is the key to cost-effective environmental protection.

Council Of Industrial Boiler Owners  
6801 Kennedy Road, Suite 102, Warrenton, VA 20187  
Phone: 540.349.9043 Fax: 540.349.9850  
E-Mail: [cibo@cibo.org](mailto:cibo@cibo.org)

Through this Agency Information Collection Extension, EIA intends to extend the Office of Management and Budget approval of the Manufacturing Energy Consumption Survey (MECS) by three years and shift the frequency of the MECS from every four years to every two years. Increasing the frequency of the MECS will result in needlessly increased burdens for respondents and the government without providing any significant benefit.

CIBO provides the following comments in response to this Agency Information Collection Extension.

## **I. Comments on Information Collection Extension**

### *A. EIA Must Justify Increasing the Frequency of the Survey*

The current version of the Federal Energy Administration Act only requires a manufacturing energy consumption survey “at least once every four years.” (42 U.S.C. § 7135(i)). EIA must justify the need for this shift from a quadrennial to a biennial survey. Throughout the history of Section 7135(i), EIA has never conducted the MECS *more frequently* than required by law. EIA must justify why is it now necessary to gather this information more frequently than the law requires. EIA must also explain why, if there is a valid reason for a more frequent survey, the survey should not be conducted every 3 years (as was the practice of the EIA between 1985 and 1994) instead of every 2 years.

### *B. Annual Estimate of Burden Hours is Far Too Low*

EIA’s estimate of 9 burden hours per establishment underestimates the amount of time and effort needed to properly respond to each MECS. As described above, responding to the survey requires the work of many individuals over a matter of days or weeks, not just a handful of hours. The survey has 237 questions. Even setting aside the fact that many of the questions require multiple responses, 9 hours allows one individual completing the survey an average of only 2 minutes and 15 seconds per question. The type of data collection and analysis, collaboration, and review needed to accurately and completely respond to each item in the survey simply cannot be accomplished in 9 hours.

### *C. EIA Must Justify the Increased Burden on Respondents and Government*

EIA must also justify the additional burden on respondents that will result from increasing the frequency of the MECS. Responding to the survey requires a high level of effort on the part of engineers and other personnel at each reporting plant. They must gather the data, consult with other plant departments, record the data properly in the survey, assess the quality and accuracy of the information, ensure its consistency from plant to plant within a corporation, conduct a legal review, and make revisions or corrections to the plant’s responses as needed. Despite this burden, EIA estimates that *the only* costs associated with the survey are 9 burden hours per establishment. This is not accurate.

EIA’s cost estimate does not include any additional burden or costs on the government to collect this data every 2 years rather than every 4 years. Requiring the survey every 2 years not only

doubles the paperwork burden on the respondents to the survey, but must necessarily double the burden on both EIA and the Census Bureau, which will conduct the survey on EIA's behalf. EIA has failed to account for the burden to these government actors.

#### *D. Timing of the Next Survey*

Timing of the next survey with respect to information collection also must be considered. EIA proposes to conduct the next survey in 2015 to obtain 2014 calendar year information. Many facilities may not be collecting the correct information at this point in 2014 to be able to accurately respond in 2015. To ease the burden, some facilities and/or companies may want to design and implement ongoing information collection systems to facilitate and ease the burden of the actual reporting event. At the least facilities should have at least one year advance notice as to the specific data that will be needed so that it is planned for and collected in some manner in the data year to be available for the reporting event in the following year. To provide that advance notice, the next reporting event must be set no sooner than in 2016 to collect 2015 information. EIA should conduct outreach to advertise the requirements beyond the Federal Register notice of the ICE authorization.

#### *E. Revision of Survey Instruments*

##### 1. Options for Filing

The survey instrument should be re-evaluated and revised. The proposal notes the content of the 2014 and 2016 MECS will be largely unchanged from the last survey in 2010, but the forms are being combined into a single electronic question-answer format for online completion as opposed to the spreadsheet format previously used. However, the sample form provided in pdf format appears to offer a mailable version and possibly an online form and/or a savable pdf form, but the options are not explained on the form and it is unclear what actually is to be available. EIA should make the options more clear. When doing so, EIA should also recognize the need for some companies to consolidate any draft online entries from multiple facilities for their internal consistency audits and corrections before final submittal. An online platform or file saving system to pre-check and manage those submittals should be afforded to companies with multiple facilities.

##### 2. Focusing on Key Information

In addition, as noted above the current proposed form contains 237 questions. The sheer number of questions suggests on its own that the survey is not adequately focused to the key information EIA must have to accomplish its statutory mission and therefore unnecessarily increases the burden on the reporting entities. CIBO requests EIA re-evaluate the nature of each question and trim down this survey to the essential information that is needed per EIA's mission.

## II. Comments on the Information Sought in Proposed OMB Form EIA-846

CIBO has additional comments on specific elements of the survey.

### A. *Conversion Factors*

EIA is not using the same conversion factors that EPA is using for its Mandatory GHG Reporting Rule regulations (40 C.F.R. Part 90, Table C-1). EIA should use consistent values for the MECS to avoid confusion, erroneous data, and additional burden on the respondents. Using different values creates a risk of confusion and errors. For example, EIA's conversion factor for ethane is 0.07338 million Btu/gallon. 2014 MECS at 6. In comparison, the high heat value used by EPA in the GHG Reporting program for ethane is 0.068 million Btu/gallon. 40 C.F.R. Part 90, Table C-1. Some respondents may overlook the distinction between EPA's high heat values and EIA's conversion factors and may assume that they can use data collected for the purposes of or processes, spreadsheets, or calculations related to the GHG Reporting Rule to respond to the MECS. However, using the wrong conversion factor would result in erroneous data being provided in response to the MECS, undermining the survey's value to EIA as a tool for policy making.

In addition, using different values creates an even bigger burden on MECS respondents. Many of these establishments already have processes in place for complying with the GHG Reporting Rule. Forcing them to use different values to respond to the MECS will result in an even greater reporting burden. EIA's apparent attempt to address this is not sufficient. EIA suggests that if the establishment uses "more precise" conversion values, they may use them and indicate their use in the remarks section. 2014 MECS at 3, 6. However, "more precise" is not defined. EIA should clearly state that conversion factors used for the GHG Reporting Rule can be used for this survey.

### B. *Direct Uses and Indirect Uses*

The survey asks respondents to report by percentages the end uses of the total quantity of each energy source consumed at the establishment in 2014. For each type of energy source, the survey categorizes the end uses into "Indirect Uses—Boilers," "Direct Uses—Process," and "Direct Uses—Non-process." However, these categories and the examples provided for each category are imprecise and illogical. EIA should rename these categories to do away with the distinction between indirect and direct use, which will make the categories more precise. Alternatively, EIA should delete certain illogical end uses from the italicized lists provided in the questions discussed below.

#### 1. "Direct Uses" Better Categorized as "Process Uses"

In questions 29, 38, 47, 62, and 76, the category "Direct Uses—Process" should be renamed "Process Uses." These five questions are meant to show the percentage of the total quantity of natural gas, diesel or distillate fuel oil, residual fuel oil, total LPG and NGL, and coal, respectively, which was consumed for a particular purpose at each establishment. However, in each of these questions, it is inaccurate to label many of the process uses of these energy sources

“direct uses.” For example, question 29 asks for the percentage of natural gas consumed at the establishment that is used to “directly” power “machine drive (e.g., motors, pumps, etc. associated with manufacturing process equipment).” 2014 MECS at 13. It is generally not possible to directly power this type of equipment with natural gas. Rather, natural gas is used as a fuel to produce electricity to power this type of equipment. For this reason, it is inaccurate to put machine drives (and other items that cannot be directly powered by the energy source in question) into a “Direct Use” category. Changing the name of the category to “Process Use” would capture the distinction EIA intends to make between boiler use, process use, and non-process use, but would avoid the problem with the logic of attempting to label everything in the “Process Use” category a “direct use.”

In the alternative, EIA should delete certain illogical end uses from the above listed questions. For example, in question 29, EIA should delete motors from the italicized list of examples under “Machine drive” under the category of “Direct Uses—Process” because one does not directly use natural gas to power motors.

## 2. “Direct Uses” Better Categorized as “Non-process Uses”

Similarly, in each of these five questions discussed immediately above, it is inaccurate to label many of the non-process uses of these energy sources “direct uses.” For instance, it is not possible to directly power “office equipment” or “lighting” using any of these energy sources. 2014 MECS at 13. Rather, coal (for instance) would be used to generate electricity that might power office equipment or light fixtures. For the purposes of accuracy, EIA should change the name of the “Direct Use—Non-process” category to “Non-process Use.”

In the alternative, EIA should delete certain illogical end uses from these same questions. For example, in question 76, EIA should delete air conditioning under “Direct Uses—Non-process” because one does not directly use coal to power air conditioning.

## 3. “Indirect Use”

For consistency, EIA should change the name of the “Indirect Uses—Boilers” category to “Boiler Fuel.” Without the “Direct Use” categories, there is no reason to distinguish this category by labeling it “Indirect Use” and there are no subcategories under “Indirect Uses—Boilers” that are not meant to capture consumption as boiler fuel. Simply calling this category “Boiler Fuel” would avoid confusion.

In addition, the list of subcategories under “Indirect Uses—Boiler” in each of the above listed questions should be revised to include consumption of the relevant energy source as fuel for combustion turbines. The italicized list of examples for indirect uses includes combustion turbines, but there is no subcategory provided in any of these questions in which to record a percentage of use for that purpose. Including this type of consumption in the subcategory of “Combined Heat and Power/Cogeneration” would not be accurate and the survey seems to direct the establishment to exclude it from the “Other” category as well.

*C. Clarifications and Other Comments*

1. For the first time, EIA proposes to collect data regarding petrochemical feedstock in the survey. This requirement will impose additional burdens on NAICS 325 facilities to gather, analyze, and report this information. As EIA has provided no justification for requesting this data, the additional burden hours placed on these facilities are a waste of resources.
2. In questions 48-62 and 91-105, EIA should exclude bottled quantities of each relevant energy source from the total quantities reported in response to these questions because the purchase, transfer, production, consumption, and shipment of bottled propane; bottled butane; bottled mixtures of butane, propane, and ethane; bottled kerosene; and bottled acetylene is purely incidental. The reporting requirement should exclude de minimis consumption of bottled quantities of each of these energy sources.
3. The meaning of the term “conventional electricity generation” is not apparent from the term’s use under “Direct Uses—Non-Process” in questions 29, 38, 47, 62, and 76. EIA should define that term here as it is used in this context. How is electricity generation a “direct use”? How does the direct use of natural gas, for instance, for conventional electricity generation differ from the use of natural gas as an indirect boiler fuel?
4. The list of sources for on-site electricity generation in question 14 should be revised to include condensing steam turbine power as a separate category. “Combined Heat and Power/Cogeneration” is listed separately, but this does not account for straight condensing generation. And combining straight condensing generation with the “Other” category, which EIA states includes, for example, electricity generated diesel generators would be confusing at best.
5. Question 156 instructs the establishment to “Skip to question 155, next column” if the establishment selects “no” in any column. This appears to be an incorrect reference and should be revised to instruct the establishment to “skip to question 158” instead.

If you have questions or need clarification, please contact me at 540-349-9043.

Sincerely yours,

*/s/ Robert D. Bessette*

Robert D. Bessette  
President