

this rule include: (1) some one-time set-up costs and, (2) an annual incremental reporting cost for making the required notifications and written reports over and above the reporting cost in the current MMS regulation. This proposed rule does not include any recordkeeping requirements.

This proposed rule will affect both small and large businesses. All companies, large and small, will incur some one-time costs to modify their incident reporting systems to incorporate the new requirements. And

all companies, both large and small, will have to notify MMS and submit the appropriate reports when they have an incident on the OCS that falls within the scope of the regulation.

Although 109 of these companies are technically small, we believe that only those small businesses that do not have adequate computer equipment (one-time set-up costs) or Internet/email access (annual cost) at the location from where they will initiate or submit their written reports will incur some extra costs. We estimate that only 5 percent of the small

companies (or 11 companies) would incur these costs. These 11 companies might incur \$5,000 per company for one-time set-up costs and \$360 per company for annual Internet/email maintenance. The estimated cost to be paid only by the 11 small companies compared to the estimated total cost for all companies is shown below. These costs are based on the portion of the costs that are over and above costs of the current regulations.

Cost type	Total cost to all companies	Total cost that would be paid only by 11 small companies
Total One Time Set-Up Costs	\$491,000	\$55,000
Annual Costs:		
Internet/Email Cost	3,960	3,960
Incremental Cost of Notification and submission of Reports	60,552	0
Total Annual Incremental Costs	64,512	3,960

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the enforcement actions of MMS, call toll-free (888) 734-3247.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This proposed rule is not a major rule under 5 U.S.C. 804(2), the SBREFA. This rule:

(1) Does not have an annual effect on the economy of \$100 million or more. Costs to comply with these revisions involve some one-time set-up costs and an annual incremental reporting cost (for making the oral notifications and submitting written reports) over and above the cost in the current MMS regulations. The total set-up costs were estimated at \$491,000. The incremental annual reporting costs were estimated at \$64,512.

(2) Will not cause a major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. The minor costs involved in complying with the revised MMS reporting requirements will not change the way the oil and gas industry conducts business, nor will it affect regional oil and gas prices. Therefore, it

will not cause major cost increases for consumers, the oil and gas industry, or any government agencies.

(3) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States based enterprises to compete with foreign-based enterprises. All lessees/operators and pipeline right-of-way holders, regardless of nationality, will have to comply with the reporting requirements of this rule. The rule will not affect competition, employment, investment, productivity, innovation, or the ability of the United States-based enterprises to compete with foreign-based enterprises.

Paperwork Reduction Act (PRA) of 1995

The proposed rule requires information collection. According to section 3507(d) of the PRA we have submitted an information collection request (ICR) (form OMB 83-I) to the OMB for review and approval of the proposed MMS reporting requirements.

The title of the MMS ICR for the proposed rule is "Proposed Rulemaking—30 CFR 250, Subpart A—Incident Reporting Requirements." Potential respondents are approximately 130 Federal OCS lessees and operators, and 88 pipeline right-of-way holders who do not own an interest in any oil and gas leases on the OCS. Responses are mandatory. This collection of information does not include proprietary information and, for MMS reporting purposes, does not include questions of a sensitive nature.

It should be noted that the proposed rule does refer to, but does not require, reporting to the USCG on form CG-2692. OMB has approved the USCG form CG-2692 information collection requirements under OMB Control Number 2115-0003, with a current expiration date of January 31, 2005. To avoid duplicate reporting requirements as much as possible, the proposed rule allows respondents to use form CG-2692 to report certain incidents to MMS. Respondents would submit the form electronically to provide simultaneous transmission to both MMS and USCG. Our ICR to OMB includes the burden for completing this form when it is required by MMS. Although this might result in a small double counting of the burden hours, it would be very insignificant. The USCG estimates receiving 7,000 CG-2692/2692A forms each year, and we estimate only 124 of those 7,000 forms would apply to MMS reporting requirements.

As explained earlier in the preamble, the CG-2692 form does not cover all of the incidents pertinent to MMS nor does it contain certain information that MMS needs. Therefore, we are proposing two new MMS forms that would be submitted only to MMS. The forms are designed to avoid, to the extent possible, duplicating information captured on form CG-2692. The proposed new forms are:

Form MMS-142, Report of OCS Incident (Immediate and 12 Hour)

Form MMS-143, Report of OCS Incident (15 Day)