



GEOTHERMAL ENERGY ASSOCIATION

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Attn: MMS, Production and Royalty Reporting for Geothermal Resources (OMB 1010-NEW)
Date: January 8, 2001
To: Connie Bartram, Acting Chief, Regulations and FOIA Team
From: Karl Gawell, Executive Director, GEA
Re: MMS Notice for Production and Royalty Reporting for Geothermal Resources

GEA would like to thank the MMS for its time in reviewing these comments in response to the recent Minerals Management Service's notice for information collection, Production and Royalty Reporting for Geothermal Resources.

On behalf of the geothermal energy community, GEA extends its appreciation to the MMS for providing a notice well in advance. However, after reading the notice, several questions were raised.

First, the notice estimates that an additional twenty hours a month will be needed to gather the information requested by this collection action. However, the notice does not specify what kind of data will need to be collected. The notice suggests that the additional information will not be a considerable burden. This poses a discrepancy between the estimated time spent recordkeeping and the amount of information being requested.

After discussing this discrepancy with several of our member companies, GEA has come to believe that the requested information consists of nothing more than collecting copies of the documentation used in determining the royalty calculation. Although some of these documents may be easier to acquire than others, the length of time estimated does not seem to match the length of time needed in collecting the desired records in that the requirement is reasonably limited.

Some of our members are currently participating in a Geothermal Operational Model with the MMS as presented at a MMS-Geothermal Industry Partner meeting held April 19, 2000. Their assumption is that this notice is for the changes previously discussed and indeed working now on an ongoing basis. If this collection request is simply an extension of what is currently done by the companies in calculating their royalty, then the notice should state this more clearly. However, if other data will be requested that will take a greater length of time, then GEA suggests that the MMS should explain this in more detail. Given the complexity of the royalty calculations, a workshop might be a helpful way of determining what would be a reasonable amount of data for the collection, if the MMS considers it necessary.

MMS also should discuss its procedures for securely storing the data to assure that the information will be retrievable in the future and will not have to be produced again. For example, companies could receive a receipt for their information with an archival code indicated so that if the data was requested in the future it could easily be retrieved from storage.

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GEA hopes that the MMS will design an information collection process that will reduce the necessity for subsequent data requests and audits. We hope it will be an explicit goal of this activity to reduce the overall collection and processing effort required of geothermal operators.

Thank you for the opportunity to comment. Please feel free to contact us if GEA can be of any assistance.