

Reclamation Manual

Directives and Standards

TEMPORARY RELEASE
(Expires 06/18/2020)




THE DEPUTY SECRETARY OF THE INTERIOR
WASHINGTON

JUL 23 2018

Memorandum

To: Assistant Secretaries
Heads of Bureaus and Offices
NEPA Practitioners

From: Deputy Secretary 

Subject: Reporting Costs Associated with Developing Environmental Impact Statements

Purpose

This memorandum provides guidance to yield greater transparency by capturing the estimated costs to develop and produce EIS documents prepared by the Department's Bureaus and Offices when serving as the lead Agency.¹ A standard description of cost estimates will assist Bureaus in determining how to appropriately focus resources, diagnose problems, find opportunities to improve project planning, and be used to meet the Agency Performance Accountability System requirements established under Executive Order 13807.

Scope

This memorandum applies to all proposed actions for which the Department, including any of its Bureaus or Offices, is the lead Agency and has published a Notice of Intent (NOI) to prepare an EIS. For purposes of this memorandum, "environmental review costs" include the lead Agency's personnel, contractors, or other direct costs associated with project authorization and NEPA compliance, but do not include the estimated costs incurred by cooperating Agencies.² "Environmental review costs" also include the lead Agency's costs associated with complying with laws other than NEPA, such as the Endangered Species Act or the National Historic Preservation Act, that are necessary for the lead Agency to authorize the proposed action evaluated by the EIS.

Directive

Upon the effective date of this memorandum, all Bureau or Office-led Draft, Supplemental, and Final EISs shall display the estimated environmental review costs associated with developing and producing the EIS, to that point in the NEPA process, on the EIS cover page according to the following guidance:

¹ 40 CFR 1508.16.

² 40 CFR 1501.6.

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I. Cost Tracking and Reporting Guidance

1. For ongoing proposed actions, lead Bureaus or Offices shall make a good faith estimate of past incurred environmental review costs;
2. To facilitate an estimate, each lead Bureau or Office shall begin tracking environmental review costs once it has determined that it will prepare an EIS to evaluate a proposed action;³and
3. Each lead Bureau or Office shall continue to track environmental review costs until it issues a final decision on the proposed action evaluated by the EIS.

II. Developing a Cost Estimate

1. Lead Bureaus and Offices shall track the costs of their full-time equivalent (FTE) personnel hours, contractor costs, and other direct costs related to the proposed action and associated environmental review.
2. Lead Bureau and Office FTE hours should include an estimate of the cost of time spent by:
 - a. the project management team responsible for the proposed action;
 - b. subject matter experts who participate in a portion of the review;
 - c. managers or supervisors who have delegated responsibility over or direct oversight of the proposed action and EIS; and
 - d. attorneys who review documents pertaining to the proposed action.
3. Contractor costs should include:
 - a. the direct costs associated with a lead Bureau or Office employing a contractor to develop an EIS or other environmental reviews;
 - b. any additional contractor costs; and
 - c. any additional third-party costs that were necessary to complete the EIS or other environmental reviews that were not directly billed to the contractor.

III. Calculating Time and Costs

1. Lead Bureaus or Offices shall calculate a proposed action's environmental review costs by totaling the lead Agency's direct and contractor costs and rounding that number to the nearest thousand-dollar figure.⁴ Department financial and administrative systems

³ Costs include those incurred pre-application and pre-Notice of Intent (NOI) to assist the applicant in submitting a complete application and to assist in issuing an effective NOI and EIS.

⁴ For example, if environmental review costs for a Draft EIS total \$456,678.09, then the number displayed prominently on the cover page of the Draft EIS should be \$457,000.

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may be used to track such costs.⁵

2. Lead Bureaus and Offices may calculate **FTE costs** by estimating, or by reporting tracking system data, the amount of applicable staff time spent on an environmental review and multiply those hours by the Bureau or Office's average hourly rate.

FTE Costs = Total estimated FTE hours x Average FTE Hourly Rate

3. Lead Bureau, Office, and applicant-funded **contractor costs** of producing or reviewing an EIS and other environmental reviews should be totaled and added to Bureau or Office FTE costs as described above.

Contractor Costs = Bureau/Office contractor expenses + applicant contractor expenses + FTE costs devoted to applicant document review + additional third-party costs

4. Lead Bureaus and Offices shall **total FTE and contractor costs**, and any other direct costs associated with preparing an EIS and other environmental reviews, rounded to the nearest thousand-dollar figure, and prominently display the total costs on the EIS cover page at the Draft, Supplemental, and Final EIS stage.

Total Costs = FTE Costs + Contractor Costs

IV. Cost Reporting

1. The Lead Bureau or Office shall enter environmental review costs into the NEPA and Permit Tracking Database (Database) at the Draft EIS, Supplemental EIS, and Final EIS stages and include the total estimated costs on the covers of the Draft EIS, Supplemental EIS, and Final EIS. Please see Attachment 1 for the template language and placement of total estimated costs on EIS cover pages.
2. No later than 30 days after the publication or issuance of the final Agency decision or action on the project, the Lead Bureau or Office shall total its estimated environmental review costs and upload them into the Database.

Judicial Review

This guidance establishes internal Department guidelines only. It does not create any rights, substantive or procedural, legally enforceable by any party.

⁵ Work Breakdown Structure (WBS) coding may be used for applicable proposed actions, even if costs accrue across budget cycles. These codes can be used in the Department's time and attendance tracking system, QuickTime; travel approval and voucher system, Concur; and financial systems, including Federal Business Management Systems (FBMS) to assist with the calculation of authorization and environmental review costs associated with each project.

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Attachment 1 – Example EIS Cover Page

DRAFT ENVIRONMENTAL IMPACT STATEMENT

FOR THE PROPOSED HABITAT CONSERVATION PLAN FOR
THE ENDANGERED AMERICAN BURYING BEETLE FOR
AMERICAN ELECTRIC POWER IN OKLAHOMA,
ARKANSAS, AND TEXAS

VOLUME I: CHAPTERS 1-7

U.S. Fish and Wildlife Service
Southwest Region
Albuquerque, NM

March 2018

Estimated Lead Agency Total
Costs Associated with Developing
and Producing This EIS

\$274,000