

Supporting Statement for
FERC-510, Application for Surrender of a Hydropower License
(Three-year extension requested)

The Federal Energy Regulatory Commission (FERC or Commission) requests the Office of Management and Budget (OMB) approve the FERC-510, Application for Surrender of a Hydropower License, for three years. FERC-510 is an existing information collection whose filing requirements are contained in Title 18 Code of Federal Regulations (C.F.R.), Sections 6.1 through 6.4, as authorized by Sections 4(c), 6 and 3 of the Federal Power Act. No changes are being made to the reporting requirements.

A. JUSTIFICATION

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

FERC is responsible for licensing of Non-Federal hydropower projects if they are on lands or waters subject to Congressional authority. Part I of the Federal Power Act ¹(FPA) gives the Commission the authority to issue licenses for hydroelectric projects on these waters. The Commission issues licenses for terms up to 50 years for projects “best adapted to a comprehensive plan” for improving a waterway for beneficial public purposes. Benefits to the public include

- power generation,
- irrigation,
- flood control,
- navigation,
- fish and wildlife,
- municipal water supply,
- and recreation.

To adequately protect, mitigate for damage to, and enhance fish and wildlife, along with their habitats, each license includes a set of terms and conditions. These fish and wildlife conditions (along with conditions relating to other environmental resources and engineering issues) are determined through the Commission’s independent analysis on the basis of federal and state fish and wildlife agency recommendations and input from the applicant, affected Indian tribes and the public. After a license is issued, the Commission monitors the licensee’s compliance with the license conditions throughout the term of the license.

¹ 16 U.S.C. Sections 791a et seq. (1982 and supp. IV 1986).

Licenses may be surrendered, but only after the licensee fulfills all obligations of the license as well as any conditions imposed by FERC relating to disposition of constructed facilities. The surrender of a license may be desired by a licensee when a licensed project is retired, not constructed, or natural catastrophes have damaged or destroyed the project facilities. Implied surrender may be occasioned by a licensee's abandonment of a licensed project. To protect the environment and the public, a license may be surrendered only upon agreement between the licensee and the Commission. The authority for the application to surrender a license is pursuant to the Commission's defined role as mandated by Part 1 of the Federal Power Act as described above.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED AND THE CONSEQUENCES OF NOT COLLECTING THE INFORMATION

The information collected under the designation FERC-510 is in the form of a written application for surrender of a hydropower license. The information is used by the Commission's staff to determine the broad impact of such surrender after careful review of the application and comments from the public and other agencies (in response to a solicitation for comments).

The FERC-510 information is used by FERC to implement the statutory provisions of Sections 4(e), 6 and 13 of the FPA². Section 4(e) gives the Commission authority to issue licenses for the purposes of constructing, operating and maintaining dams, water conduits, reservoirs, powerhouses, transmission lines or other project works necessary or convenient for developing and improving navigation, transmission and utilization of power over water for which Congress has jurisdiction. Section 6 gives FERC the authority to prescribe the conditions of licenses including the revocation or surrender of licenses. Section 13 defines the Commission's authority to delegate time periods for when a license must be terminated if project construction has not begun.

The Commission will issue a notice soliciting comments from the public and prepare a surrender of License Order. The order is the result of the analysis of the information produced (e.g. economic, environmental). This is examined to determine if the application for surrender is warranted. The order implements the existing regulations and is inclusive for application for surrender of all types of hydropower licenses issued by FERC and its predecessor (the Federal Power Commission). The Commission implements these filing requirements in Title 18, C.F.R. Sections 6.1 through 6.4.

² 16 U.S.C. sections 797(e), 799, and 806

3. DESCRIBE ANY CONSIDERATION OF THE USE OF IMPROVED TECHNOLOGY TO REDUCE BURDEN AND TECHNICAL OR LEGAL OBSTACLE TO REDUCING BURDEN

There is an ongoing effort to determine the potential and value of improved information technology to reduce burden. Currently most of the filings for this collection are submitted via the Commission eFiling system thus streamlining the submittal process.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN INSTRUCTION NO. 2

The Commission periodically reviews filings in conjunction with OMB clearance expiration dates. This includes a review of the Commission's reporting requirements to identify duplication of data requirements. FERC staff has determined that there is no duplication of information in this collection. The information submitted with each filing is specific to each application for surrender. This is a specific use of information as required under Part 1 of the FPA and not a general collection of information.

5. METHODS USED TO MINIMIZE THE BURDEN IN THE COLLECTION OF INFORMATION INVOLVING SMALL ENTITIES

The minimization of impact on small businesses would not be applicable. The burden will vary between respondents, even though the reporting requirements are specific and uniform for all respondents. Any information collected is unique to the applicant and the hydropower site for which the filing is made. Therefore, there is not a set format or form. The data required impose the least possible burden on applicants while collecting information required to be processed.

6. CONSEQUENCE TO FEDERAL PROGRAM IF COLLECTION WERE CONDUCTED LESS FREQUENTLY

If the information contained in the FERC-510 were not collected, the Commission would be unable to establish facts and pertinent information as to why a licensee desires not to continue the work as provided for by the license. Without the establishment of these facts there would be no basis for accepting the surrender of the license.

In the case of FERC-510, the reporting burden cannot be reduced because of the following factors:

- the applicant for surrender must satisfy the Commission's requirements through documentation that all lands and property have been restored to their original state (in the case of a constructed project);
- the complete documentation must be submitted with the application showing that all financial obligations involving the project have been resolved; and
- the applicant has to satisfy local, state, and federal statutes, policies, and directives upon the surrender of a license.

The collection could not be made less frequently since it is made only once upon the filing of the surrender application. The Commission cannot limit the applicants who apply for surrender of their licenses.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The number of copies of a surrender application to be filed may include an electronic media submission using the Commission's eFiling system. If the filer chooses to file paper copies, he/she must submit along with an original two hard copies. However, the Commission encourages the electronic filing of these applications.

8. DESCRIBE EFFORTS TO CONSULT OUTSIDE THE AGENCY: SUMMARIZE PUBLIC COMMENTS AND THE AGENCY'S RESPONSE TO THESE COMMENTS

FERC issued a 60-day notice³ in Docket No. IC14-15-000 on 6/2/2014. The notice requested public comment. No comments were submitted.

On 8/15/2014, FERC issued a 30-day notice⁴ requesting public comment; it will be published in the Federal Register.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

No payments or gifts have been made to respondents.

³ 79 FR 32925, 6/9/2014

⁴ The 30-day notice is available in FERC's eLibrary at <http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13615359> .

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The information submitted to the Commission is public information and, therefore, is not considered confidential. Specific requests for confidential treatment to the extent submitted by law will be entertained pursuant to 18. C.F.R. Section 388.112.

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES, RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE.

This collection does not include any questions of a sensitive nature.

12. ESTIMATED BURDEN OF COLLECTIONS

The following burden table shows the currently approved inventory.

FERC-510 Data Collection	Number of Respondents Annually (1)	Number of Responses Per Respondent (2)	Average Burden Hours Per Response (3)	Total Annual Burden Hours (1)x(2)x(3)
	16	1	10	160

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The costs for this collection are entirely related to burden hours and are provided in #12 and 15.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

	No. of Employees (FTE's)⁵	Estimated Annual Federal Cost in (\$)⁶

⁵ FTE=Full-Time Employee.

⁶ For FY2014, the estimated average annual cost per FERC FTE, including salary plus benefits, is \$146,591 (or \$70.50 per hour).

Analysis and Processing of filings	1.94	\$284,387
PRA⁷ Administrative Cost		\$5,092
FERC total		\$289,479

The Commission bases its estimate of the “Analysis and Processing of filings” cost to the Federal Government on salaries and benefits for professional and clerical support. This estimated cost represents staff analysis, decision-making, and review of any actual filings submitted in response to the information collection.

The PRA Administrative Cost is a Federal Cost associated with preparing, issuing, and submitting materials necessary to comply with the Paperwork Reduction Act (PRA) for rulemakings, orders, or any other vehicle used to create, modify, or discontinue an information collection. The Commission estimates the average annual PRA administrative cost per collection and includes the estimate as a Federal Cost when requesting an extension to an existing collection or approval of a new collection (rather than including the cost estimate in each step of a rulemaking).⁸ This request is for the extension of an existing collection, so the cost is included here.

15. REASONS FOR CHANGES IN BURDEN INCLUDING ANY INCREASE

There are no changes in the information collection requirements, annual estimated burden, numbers of filers (respondents), or filings (responses). The Commission processes approximately 16 surrender applications each year.

The current estimates, unchanged from the OMB-approved inventory, follow.

FERC-510	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	16	16	0	0
Annual Time	160	160	0	0

⁷ Paperwork Reduction Act

⁸ This approach has recently been updated to provide more accurate data and cost across all information collections.

Burden (Hr)				
Annual Cost Burden (\$)	0	0	0	0

The average cost per burden hour⁹ is being updated. We estimate the average cost to be \$705/response (10 hours/response * \$70.50/hour) and the average cost for all responses to total \$11,280 (\$705/response * 16 responses).

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

There are no tabulations, statistical analysis or publication plans for the information collection. The data are used for regulatory purposes.

17. DISPLAY OF EXPIRATION DATE

The information submitted to the Commission is not collected on a standard preprinted form that would avail itself to display the expiration date. However, the PRA information (including expiration date and OMB Control No.) is available on www.ferc.gov at <http://www.ferc.gov/docs-filing/info-collections.asp>.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The data collected for this reporting requirement is not used for statistical purposes. Therefore, the Commission does not use “effective and efficient statistical survey methodology” as stated in the certification statement. The information collected is case specific to each respondent and filing.

⁹ We estimate that the salary and skill mix is similar to that of Commission employees. The average hourly cost of \$70.50 (for salary plus benefits) is used.