

SUPPORTING STATEMENT: Renewable Energy Production Incentives
OMB Control Number: 1910-0068

1. Explain the circumstances that make the collection of information necessary.

The Renewable Energy Production Incentive was established by Section 1212 of the Energy Policy Act of 1992 (P.L. 102-486) (42 USC 13317) and was reauthorized by Section 202 of the Energy Policy Act of 2005 (P.L. 109-058).

The Renewable Energy Production Incentive is a cash payment to qualified renewable facilities for renewable energy that is generated and sold to end users. Eligible electric production facilities include not-for-profit electrical cooperatives; public utilities; state governments; Commonwealths; territories of the United States; the District of Columbia; Indian tribal governments, or a political subdivision thereof; or Native Corporations that sell the facility's electricity. The qualified facilities are eligible for annual incentive payments of 1.5 cents per kilowatt-hour (1993 dollars and indexed for inflation) for the first 10-year period of their operation, subject to the availability of annual appropriations in each Federal fiscal year of operation. The qualifying facilities must use one of the following generation technologies: Solar, Wind, Geothermal (with certain restrictions as contained in the rulemaking), Biomass (except for municipal solid waste combustion), Landfill gas, Livestock methane, Ocean (including tidal, wave, current, and thermal), Fuel cells using hydrogen derived from eligible biomass facilities.

Qualified renewable energy generation facilities that begin initial operation before October 1, 2016 can annually apply for payment for electricity produced and sold in the first 10 fiscal years of that facility's operation. For annual payment consideration, an owner of a qualified facility must submit an application by the end of the calendar year for the previous fiscal year's electricity production. Payments are made in accordance with the program rule (10 CFR 451) and are based on available annual appropriations.

2. Indicate how, by whom, and for what purpose the information is to be used.

Information requested in the annual application is the minimum amount required to determine that the facility qualifies for payment and to provide a valid determination of the amount of net electricity produced for sale in the fiscal year that is eligible for payment. Determinations of net electricity produced for sale are based on monthly metering and/or calculation procedures that are commonly used in the electric utility sector. At the end of each calendar year, the qualified facilities submit a letter by an authorized executive official and provide a table that reports net renewable electricity produced.

The following 13 items (a-m) must be included in an application:

(a) A statement indicating that the applicant is the owner, of the facility or is the operator of the facility and has the written consent of an authorized executive official of the owner to file an application;

- (b) The name of the facility or other official designation;
- (c) The location and address of the facility and type of renewable energy source;
- (d) The name, address, and telephone number of a point of contact to respond to questions or requests for additional information;
- (e) The type of utility requesting the incentive payment
- (f) A statement of the annual and monthly metered net electric energy generated and sold during the prior fiscal year by the qualified renewable energy facility, measured in kilowatt-hours, for which an incentive payment is requested;
- (g) In the case of a qualified renewable energy facility which generates electric energy using a fossil fuel, nuclear energy, or other non-qualified energy source in addition to using a renewable energy source, a statement of the net electric energy generated, measured in kilowatt-hours, attributable to the renewable energy source, including a calculation showing the total monthly and annual kilowatt-hours generated and sold during the fiscal year multiplied by a fraction consisting of the heat input, as measured in appropriate energy units, received by the working fluid from the renewable energy sources divided by the heat input, as measured in the same energy units, received by the working fluid from all energy sources;
- (h) The amounts of accrued electric energy, by sources and by year, in kilowatt-hours, for which the applicant previously applied and DOE did not make an incentive payment because of insufficient appropriations;
- (i) The total amount of electric energy for which payment is requested, including the net electric energy generated in the prior fiscal year, as determined according to paragraph (f) or (g) of this section, and the accrued energy as determined according to paragraph (h) of this section;
- (j) wire transfer instructions;
- (k) A statement agreeing to retain records for a period of three (3) years which substantiate the annual and monthly metered number of kilowatt-hours generated and sold, and to provide access to, or copies of, such records within 30 days of a written request by DOE; and
- (l) A statement signed by an authorized executive official certifying that the information contained in the application is accurate.
- (m) If a nonprofit electric cooperative, a statement certifying that no claim for tax credit has been made for the same electricity for which incentive payments are requested.

Without this information, the production incentive payments could not be made in accordance with the law (42 USC 13317).

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Some applicants can reduce their burden through the use of their own automated information collection and recording systems. Incentive payments are now made to applicants through electronic transfers.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

This collection of information is for the specific purpose of determining a facility's qualification for incentive payments and the amount of net electricity produced for sale that is eligible for payment consideration. Since this information does not meet other apparent needs in the Department or other agencies, the duplication of requests for this information is unlikely.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

In the development of the final rule for these incentives, it was determined that compliance with these regulations would not place disproportionate burdens on small business.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Incentive payments are on an annual basis, which rely on the availability of annual appropriations. Therefore, recipient applications are also on an annual basis, which is the minimum frequency that can be used for this information collection.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with OMB guidelines:

No such circumstances exist. The Information Collections Request has been reviewed and justified by Departmental management requirements, statutes, external regulations or interagency reporting requirements, Departmental orders or other internal DOE requirements and are collected in a manner consistent with 5 CFR 1320 guidelines.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5CFR 320.8(d), soliciting comments on the information collection prior to submission to OMB.

No comments received.

9. Explain any decision to provide any payment or gift to respondents, other than

remuneration (sic) of contractors or grantees.

There are no gifts to respondents or payments or *remunerations*, except to grantees or contractors.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

Where confidential information is involved in the information collection, provisions for handling confidential information apply and are set forth in related Departmental regulations.

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.

There are no collections in this information collection request that involve questions of a sensitive, personal, or private nature.

12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

The application burden, expressed in burden hours, is the time required to prepare the annual application as estimated by the Golden Field Office program manager reviewing the annual applications and responsible for executing the program. Computations are based on the anticipated 3 year average number of annual applications (75) times the estimated information collection and preparation hours for each application (2 hours). Annual record keeping is determined by multiplying the number of annual applicants (75) by the estimated hours required to retain the records on an annual basis (4 hours). Each applicant of a qualified facility is required to maintain records for a 3 year period that substantiate the amount of monthly and annual electricity produced for sale.

Using these calculations, the annual application burden and record keeping burdens of this information collection request are:

Application burden -----	150 hours
Record keeping burden -----	<u>300 hours</u>
Total burden of this package -----	450 hours

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

The estimated annualized cost to the respondent/applicant for the data in this information collection request is based on an assumed standard cost of \$75.00 per burden hour. Using these standard costs, the annualized cost for respondents/applicants or record keepers is:

Business cost, at \$75.00/450 burden hours: -----	\$ 33,750
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14. Provide estimates of annualized cost to the Federal government.

The Department uses standard cost data for determination of the estimated annualized cost of its information collections. The estimated annualized cost to the Department for the data in this information collection request is based on an assumed standard cost of \$35.00 per burden hour. The standard is based on the General Services Administration (GSA) formula in determination of Government paperwork and report costs, and is based on an estimate of \$35.00 per hour labor cost (GS-13), an additional 25-30% for employee fringe benefits and an additional 30% overhead cost. Using these standard costs, the annualized cost to the Government is:

Government cost, at \$56.00/150 burden hours:	\$8,400
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15. Explain the reasons for any program changes or adjustments reported in Items 13 (or 14) of OMB Form 83-I.

There are no program changes or adjustments to OMB Form 83-1.

16. For collections whose results will be published, outline the plans for tabulation and publication.

The payments of recipients and amounts paid will be listed on one of the Departments web pages. The web page is updated annually, usually in mid-summer, after payments have been approved and made.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The Department is not seeking approval to not display the expiration date.

18. Explain each exception to the certification statement identified in Item 19 of OMB Form 83-I.

This submission contains no exceptions to form 83-1.

B. Collections of Information Employing Statistical Methods

This collection does not employ statistical methods.