

**FERC-510 APPLICATION FOR SURRENDER OF A HYDROPOWER LICENSE
1902-0068**

**SUPPORTING STATEMENT FOR FERC-510,
APPLICATION FOR SURRENDER OF A HYDROPOWER LICENSE
(Three year Extension requested through October 31, 2011)**

The Federal Energy Regulatory Commission (Commission) requests that the Office of Management and Budget (OMB) review and extend its approval of **FERC-510, APPLICATION FOR SURRENDER OF A HYDROPOWER LICENSE** through October 31, 2011. FERC-510 (OMB Control No. 1902-0068) is an existing data collection (filing application) whose filing requirements are contained in Title 18 C.F.R., Sections 6.1- through 6.4, as authorized by Sections 4(c), 6 and 13 of the Federal Power Act.

The estimated reporting burden for FERC-510 is expected to average 80 hours per year over the next three years. The average burden per filing is estimated to be 10 hours. This is unchanged from OMB's current inventory.

A. Justification

**1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF
INFORMATION NECESSARY**

The Federal Energy Regulatory Commission is responsible for licensing of Nonfederal hydropower projects if they are on lands or waters subject to Congressional authority. Part I of the Federal Power Act¹ (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 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.

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

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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 if any. The surrender of a license may be desired by a licensee when a licensed project is retired or 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 licensee is made pursuant the Commission's defined role as mandated by Part 1 of the Federal Power Act as elaborated 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 a surrender and by careful review of the prepared application and of comments from the public and other agencies in response to a solicitation for comments. The information collected under the requirements of FERC-510 "Application for Surrender of Hydropower License" is used by the Commission to implement the statutory provisions of sections 4(e) and 6 and 13 of the Federal Power Act (FPA) 16 U.S.C. sections 797(e), 799 and 806. 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 power project works necessary or convenient for developing and improving navigation, transmission and utilization of power over which Congress has jurisdiction. Section 6 gives FERC the authority to prescribe the conditions of licenses including the revocation or surrender of the license. 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, i.e. economic, environmental, etc. this is examined to determine if the application for surrender is warranted. This 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 the Code of Federal Regulations, Title 18, C.F.R. sections 6.1 through 6.4.

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

There is currently an ongoing effort to determine the potential and value of improved information technology to reduce the burden. However, in the case of these submissions, it is not practical or feasible to apply automated or computerized information technology because of the varied formats used in presenting the technical data and the varied technologies required to handle drawings and maps.

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.

Filings are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of the Commission's reporting requirements to identify duplication of data requirements. FERC's staff has determined that there is no duplication of information. 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 Federal Power Act 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 application is 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 isn't 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

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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 at this time because of the following factors:

- (a) That the applicant for surrender must satisfy the Commission’s requirements through documentation that all lands and property have been restored to their original state (this is in the case of a completed project);
- (b) That the complete documentation be submitted with the application showing that all financial obligations involving the project have been resolved;
- (c) The applicant has satisfied 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 guidelines of 5 C.F.R. 1320.5(d) are being exceeded in the number of copies forwarded to the Commission. The following is the distribution of application for review within the Office of Energy Projects (OEP).

Director	1	
Division of Hydropower Administration and Compliance		3
Division of Dam Safety and Inspections	2	
Regional Offices	1	

The Offices of General Counsel and External Affairs also receive one copy.

The distribution of multiple copies of an application to OEP staff is essential so that the required technical, engineering, and environmental reviews and analysis proceeds simultaneously and efficiently. A project manager must have a copy of any application for review and coordination purposes; additional copies must be available for staff members in various parts for assessing the adequacy of diverse exhibits. It would not be

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feasible to conduct these review functions in a timely manner, and within the current processing schedule, if fewer copies of the application were provided for staff use. In addition, once an application has been determined to be adequate for processing, OEP staff in Headquarters and the appropriate regional office need copies of the application.

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

Prior to adopting regulations that require the collection of data, the Commission's procedures require that rulemaking notices be published in the Federal Register, thereby allowing all applicants, state commissions, federal agencies, and other interested parties an opportunity to submit comments, or suggestions concerning the proposal. The data requirements in FERC-510 were established through the same notice/rulemaking route. The application for surrender and termination of license was codified in four Commission orders. The first, Order No. 141 (12/19/47) promulgated the creation and reissuance of general rules, including rules of practice and procedure for termination and surrender of a license. Before the Commission takes action on a surrender application, it issues a public notice to notify potentially affected parties. The rulemaking procedures also allow for public conferences to be held as required.

In accordance with OMB requirements in 5 C.F.R. 1320.8(d), the reporting requirements for FERC-510 were noticed in the Federal Register on March 13, 2008. The Commission did not receive any comments in response to this notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

No payments or gifts have been made to respondents.

**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 388.110.

**11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A
SENSITIVE NATURE**

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No data of a sensitive nature is requested.

12. ESTIMATED BURDEN OF THE COLLECTION OF INFORMATION

The annual burden estimate for information collection under FERC 510 is based on the Commission's recent experience with applications for Surrender of a Hydropower License. Under FERC 510, it is estimated that the annual average annual burden for each application will be 10 hours. The number of respondents is expected to average 8 per year.

Estimated number of respondents	:	8	
Estimated number of responses	:	1	
Estimated number of responses per year	:		8
Estimated number of hours per response	:		10
Total estimated burden (hours per year)	:		80
FERC 510 burden hours currently in OMB's inventory	:	80	
Program change in industry burden hours	:	0	
Adjustment change in industry burden hours	:	0	

13. ESTIMATE OF TOTAL ANNUAL COST OF BURDEN TO RESPONDENTS

The estimated annualized cost to the respondents for **FERC-510 Application for Surrender of Hydropower License** averaged over the next three years is as follows:

Total Hours Respondent Burden	Person Hours/Year	Average	Estimated Total Salary/Year ²	= Cost
80	2080	x	\$126,384	= \$4,861

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimated annualized cost to the Federal Government for **FERC-510 Application for Surrender of Hydropower License** is shown below:

2The estimated annual cost per staff/employee (\$126,384) based on the number of employees or Full Time Equivalents (FTEs) in the Office of Energy Projects (OEP) and the FY 2008 appropriation for that Office as reported in the Commission's FY 2008 OMB Budget Request.

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<u>Operation</u>	<u>FERC-510</u>
a) Data clearance (FERC FY 2008)	\$ 1,458
b) Analysis of data (FERC hydropower licensing program is reimbursed by licensees pursuant to Section 10(e) of the Federal Power Act)	\$ <u>0.00</u>
Total cost in one year of operation	\$1,458

15. REASONS FOR CHANGES IN BURDEN INCLUDING THE NEED FOR ANY INCREASE

There is no change in the burden from the Commission's last submission to OMB.

16. TIME SCHEDULE FOR INFORMATION COLLECTION AND PUBLICATION

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

It is not appropriate to display the expiration date for OMB approval of the information collected pursuant to Sections 4(e) and 6 of the Federal Power Act and Part 4 of the Commission's regulations. The information submitted to the Commission is not collected on a standard preprinted form which would avail itself to this display. Rather, applicants for declaring their intention, prepare and submit information that reflects the unique or specified circumstances related to jurisdictional transaction. In addition, the information contains a mixture of narrative descriptions and empirical support that varies depending on the nature of the filing requirement. The Commission does publish in its regulations at 18 C.F.R. Part 389 both the regulatory citation and corresponding OMB.

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 Item No. 19 (i) "effective and

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efficient statistical survey methodology” as stated in OMB Form 83-1. The information collected is case specific to each respondent.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL
METHODS**

Not applicable.