

Supporting Statement
FERC-505, Application for License for Water Projects with 5MW or Less Capacity

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC-505, Application for License for Water Projects with 5MW or Less Capacity**, for a three year period. FERC-505 (OMB Control No. 1902-0115) is an existing Commission data collection (filing requirements), as stated by 18 Code of Federal Regulations (CFR):

- 4.32
- 4.61
- 4.71
- 4.93
- 4.107, 4.108
- 4.201, 4.202
- Part 5
- 16.1, 16.10, 16.20
- 292.203, 292.208

The Commission estimates the annual reporting burden for FERC-505 will be 58,782 total hours (an average of 3,673 hours per respondent).

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

16 USC 797(e) authorizes the Commission to issue licenses to citizens of the United States, or to any corporation organized under the laws of United States or any State thereof, or to any State or municipality for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation and for the development, transmission, and utilization of power across, along, from, or in any of the streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, or upon any part of the public lands and reservations of the United States. The Electric Consumers Protection Act (ECPA)¹ amended the FPA to provide the Commission with the responsibility of issuing licenses for non-federal hydroelectric plants.

Section 4(e) of the FPA requires the Commission to give equal consideration to preserving energy conservation, the protection, mitigation of damage to, and enhancement of, fish and wildlife, the protection of recreational opportunities, and the preservation of other aspects of environmental quality when approving licenses. Also, section 10(a) of the FPA stipulates conditions upon which hydroelectric licenses are issued².

The Commission requires all hydroelectric license applications to address a variety of environmental concerns. Many of these concerns address environmental requirements developed by other agencies³. The applicants must provide facts in order for the Commission to understand

¹ Public Law 99-495, 100 Stat. 1243 (10/16/1986)

² 16 USC 797(e)

³ Section 4(c) of FPA; Section 18 of FPA; Section 401 of Clean Water Act; the Coastal Zone Management Act;

and resolve potential environmental problems associated with the application in the interests of the United States public.

Applicants can choose to seek licenses using of three different options: the traditional license process, alternative license process, or integrated license process (ILP). The ILP is the default process and enables potential licenses to conduct pre-filing consultation and the Commission's scoping process concurrently rather than sequentially.

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 by the FERC-505 is in the format of a written application for a license or exemption and is used by the Commission staff to determine the broad impact of the license application. Commission staff conducts systematic reviews of the prepared application with supplemental documentation provided by the solicitation of comments from other agencies and the public. These comments are received through the issuance of public notice and open meetings. These reviews ensure that the Federal Power Act, as amended by other statutory provisions, is formally administered to ensure compliance by the licensees. Greater environmental scrutiny, as well as a decision making process characterized by shared authorities, has assisted the development and utilization of hydropower as an essential renewable resource within the nation's energy mix. Projects coming up for relicense in the next several decades were originally licensed before the enactment of ECPA, the National Environmental Policy Act (NEPA), the Endangered Species Act, the Federal Water Pollution Control Amendments of 1972 (the Clean Water Act), and the Coastal Zone Management Act.

After an application is filed, the Federal agencies with responsibilities under the FPA and other statutes, the states, Indian tribes, and other participants have opportunities to request additional studies and provide comments and recommendations. Federal agencies with mandatory conditioning authority also provide their conditions. The Commission staff may ask for additional information that it needs for its environmental analysis. All of this information is considered in the Commission staff's environmental review under NEPA. After a license is issued, the Commission monitors the licensee's compliance with the license conditions throughout the term of the license.

Submission of the data is necessary to fulfill the requirements of the FPA in order for the Commission to make the required finding that the proposal is economically, technically, and environmentally sound, and is best adapted to a comprehensive plan for improving/developing a waterway or waterways.

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

The Commission allows the FERC-505 application to be eFiled in v7.0 of eLibrary. Additionally, the Commission requires two paper copies to be submitted.

For current information on the FERC-505 submission guidelines, go to <http://www.ferc.gov/docs-filing/efiling/filing.pdf>.

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 published a notice within the Federal Register to help identify any duplication of the information in FERC-505. No comments were received. No similar information can be used or modified.

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

The reporting requirements associated with FERC-505 are the basic filing requirements pertaining to all applications for a hydropower license or exemption. There are no similar sources of information available that can be used or modified for use as the information collected is unique to the applicant and the site for which the filing is made. The Commission makes a distinction between major and small hydro projects by providing a threshold of five megawatts. Entities that are 5MW or less have streamlined filing requirements (FERC-505).

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

The consequences of not collecting the information included within these applications would cause the degradation of the Commission's ability to fulfill the requirements of the FPA in ensuring that a project proposal is economically and technically sound (to include requirements to improve/develop waterways). Additionally, the Commission would be unable to ensure environmental concerns were being properly documented and mitigated during approval of any application.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The information collection meets all of OMB's section 1320.5 requirements.

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

In accordance with OMB requirements⁴, the Commission published a 60-day notice⁵ and a 30-day notice⁶ to the public regarding this information collection on 9/13/2012 and 12/11/2012 respectively. Additionally, the Commission published a 15-day notice to the public regarding an

4 5 CFR 1320.8(d)
5 77 FR 56636
6 77 FR 73631

adjustment to the estimated burden on 4/24/2013⁷. Within the public notices, the Commission noted that it would be requesting a three-year extension of the public burden with no change to the existing requirements concerning the collection of data. No comments were received on the 60-day, 30-day notices, or 15-day notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments of gifts to FERC-505 respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission does not consider the information collected in FERC-505 filings to be confidential. However, the Commission will consider specific requests for confidential treatment to the extent permitted by law⁸. The Commission will review each request for confidential treatment on a case-by-case basis.

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

The Commission does not consider any of the questions within the FERC-505 of a sensitive nature that would be considered private.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the Public Reporting Burden for this information collection as:

FERC-505 (IC12-18-000): Report of Service Interruptions					
	Number of Respondents (A)	Number of Responses Per Respondent (B)	Total Number of Responses (A)x(B)=(C)	Average Burden Hours per Response (D)	Estimated Total Annual Burden (C)x(D)
Non-federal hydroelectric plants less than 5MW capacity	16	1	16	3,673	<u>58,782</u>

The following table shows the labor cost associated with the burden hours.

7 78 FR 24188
8 18 CFR 388.112(a)(1)

Annual Burden Hours (1)	Estimated Hourly Cost (\$) (2)	Estimated Total Annual Cost to Respondents (\$) (1) X (2)
58,782	\$69.01 ⁹	\$4,056,545

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

Total Capital and Start-up Cost: \$0

Total Operation, Maintenance, and Purchase of Services: \$0

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

	Number of Employees (FTEs)¹⁰	Estimated Annual Federal Cost
Analysis and Processing of Filings	8	\$1,148,320
PRA ¹¹ Administrative Cost ¹²	N/A ¹³	\$1,588
FERC Total	N/A ¹¹	\$1,149,908

The Commission bases its estimate of the cost to the Federal Government on salaries for professional and clerical support.

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

The requirements within FERC-505 did not change.

The Commission initially issued public notice posing a significant change to the burden estimates. However, the Commission found the original burden estimates to be still appropriate. So, on 4/24/2013 the Commission published a 15-day public notice⁶ in the FR for comment to reintroduce the original burden estimates.

The Commission outlines the difference between the total requested annual time burden and the previously approved annual time burden below:

FERC-505	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	16	16	0	0

9 Based on the average FERC salary plus benefits for 2012 of 143,540. This figure is rounded to the nearest cent

10 The Per FTE cost is based on the average FERC salary plus benefits for 2012 of \$143,540

11 Paperwork Reduction Act of 1995 (PRA)

12 Based upon 24 hours of Commission staff time/effort

13 Not applicable

Annual Time Burden (Hr)	58,782	58,782	0	0
Annual Cost Burden (\$)	\$0	\$3,569,143	-\$3,569,143	\$0

With the clearance package, the cost to industry is displayed using the unit of burden hours. In accordance with the “ROCIS HOW TO Guide for Agency Users of the Information Collection Request (ICR) Module”, users should not report as a dollar cost any burden reported in hours¹⁴. Therefore, Commission staff corrected the industry’s annual cost burden within the ROCIS metadata to show that the Commission associates no cost to capital investment or other non-labor costs. The Commission estimates the monetary cost related to the burden hours in #12 (above). This was done erroneously in previous FERC-505 supporting statements. Commission staff corrected the error within the current proposed clearance package.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

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

17. DISPLAY OF EXPIRATION DATE

It is not appropriate for the Commission the display the expiration date for OMB approval of the FERC-505 because the information is not collected on a standard form.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The Commission does not use the data collected for this reporting requirement for statistical purposes. Therefore, the Commission does not use as stated in item (i) of the certification to OMB, "effective and efficient statistical survey methodology." The information collected is case specific to each information collection.

¹⁴ [https://www.rocis.gov/rocis/jsp/common/ROCIS HOW TO Guide for AGENCY Users of ICR Module-03192012_v2.pdf](https://www.rocis.gov/rocis/jsp/common/ROCIS_HOW_TO_Guide_for_AGENCY_Users_of_ICR_Module-03192012_v2.pdf), p.37