

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) to approve the FERC-510, Application for Surrender of a Hydropower License,<sup>1</sup> for an additional three years. FERC-510 collects information pursuant to the filing requirements in Title 18 Code of Federal Regulations (C.F.R.), Sections 6.1 through 6.4,<sup>2</sup> as authorized by Section 6 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**

The Commission is responsible for licensing non-federal hydropower projects if they are on lands or waters subject to Congressional authority. Part I of the Federal Power Act<sup>3</sup> (FPA) gives the Commission the authority to issue licenses for hydroelectric projects on these waters. The Commission issues licenses for terms of up to 50 years that best adapted to a comprehensive plan for improving or developing a waterway or for the use or benefit of interstate or foreign commerce. Licenses are also issued for the improvement and utilization of waterpower development; for the adequate protection, mitigation, and enhancement of fish and wildlife; and for other beneficial public uses, including irrigation, flood control, water supply, recreation.<sup>4</sup>

Licenses may be surrendered, but only after the licensee fulfills all obligations of the license and any conditions imposed by the Commission necessary to protect dam safety, public safety and environmental resources. The Commission often needs certain information from the licensee in order to determine the conditions under which a surrender application can be granted.

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<sup>1</sup> Surrender of a conduit exemption is covered under FERC-505 (OMB Control No. 1902-0115) and is not addressed here.

<sup>2</sup> See the attachment.

<sup>3</sup> 16 U.S.C. Sections 791a et seq. (1982 and supp. IV 1986).

<sup>4</sup> More information on the Commission's hydropower program in general is posted at <https://www.ferc.gov/docs-filing/efiling.asp>. Additional information on surrendering a license or exemption is posted at <http://www.ferc.gov/industries/hydropower/gen-info/comp-admin/surrender.asp>.

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

The Commission needs certain information in a surrender proceeding to decide whether, and under what conditions, to surrender a license. The Commission collects information via a surrender application and via any additional information requests. Sometimes additional information is needed so the Commission can respond to issues raised by resource agencies and the public after a surrender application has been filed and publicly noticed.

Not collecting information from the licensee via a surrender application and/or via additional information requests would adversely affect the Commission's ability to determine whether, and under what conditions, to grant a license surrender. Adequate information is needed to ensure that any project facilities remaining after surrender would be left in a safe condition both for dam safety and public safety purposes. Adequate information is also needed to determine whether the Commission should require the licensee to take appropriate environmental protection measures.

**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. Most information collected is submitted via the Commission eFiling system<sup>5</sup> 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. Commission 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.

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<sup>5</sup> Information on the FERC's eFiling system is posted at <https://www.ferc.gov/docs-filing/efiling.asp>.

## **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 licensee and the hydropower project for which the filing is made. Therefore, there is no set format or form. The data required imposes the least possible burden on licensees while collecting information required for the Commission's analysis and decision making.

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

If the information in FERC-510 were not collected, the Commission would be unable to establish the necessary facts and pertinent information needed to determine whether, and under what conditions, a license surrender should be granted. Without this information, there would be no basis for accepting a surrender of the license.

In the case of FERC-510, the reporting burden cannot be reduced because: (1) licensees must file a surrender application and/or provide information in a surrender proceeding pursuant to the Commission's regulations at 18 CFR 6.1 through 6.4., (2) adequate information is needed for the Commission to ensure that any remaining project facilities are left in a safe manner and that all needed environmental protection measures are taken, and (3) adequate information is needed so the licensee can satisfy all needed local, state, and federal statutes, policies, and directives upon the surrender of a license.

Information is collected only when a licensee decides to surrender its license and/or a surrender proceeding is started by the Commission. Therefore, information for this purpose cannot be collected less frequently. The Commission cannot prevent a licensee from applying to surrender its license.

## **7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION**

Licensees must file an original and two copies of a surrender application when filing an application via paper. Otherwise, licensees can file one copy in electronic format when using the Commission's eFiling system. The Commission encourages the electronic filing.

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

The 60-day Notice<sup>6</sup> was issued in Docket No. IC17-9 on 3/24/2017 and was published in the Federal Register on 4/3/2017 (82 FR 16191). No public comments were received.

A 30-day Notice will also be posted in FERC's eLibrary and published in the Federal Register.

**9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS**

No payments or gifts are made to respondents.

**10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS**

The information submitted to the Commission is public, therefore, the information is not considered confidential. Specific requests for confidential treatment will be considered pursuant to 18 CFR 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 estimated average annual burden and cost<sup>7</sup> follow.

<b>FERC-510</b>
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<sup>6</sup> The Notice is available in FERC's eLibrary at <https://elibrary-backup.ferc.gov/idmws/common/opennat.asp?fileID=14530657>.

<sup>7</sup> The Commission staff thinks that the average respondent for this collection is similarly situated to the Commission, in terms of salary plus benefits. Based upon FERC's 2017 annual average of \$158,754 (for salary plus benefits), the average hourly cost is \$76.50/hour.

<b>Number of Respondents (1)</b>	<b>Annual Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2)=(3)</b>	<b>Average Burden Hrs. &amp; Cost Per Response (4)</b>	<b>Total Annual Burden Hrs. &amp; Total Annual Cost (\$) (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)</b>
14	1	14	80 hrs.; <sup>8</sup> \$6,120	1,120 hrs.; \$85,680	\$6,120

**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**

The Commission bases its estimate for “Analysis and Processing of filings” on FERC’s salaries and benefits for professional and clerical support. This estimated cost includes: staff review, a public notice, any additional information requests, a dam safety inspection, NEPA review and analysis, compliance with other statutes, and a Commission decision in the surrender proceeding.

The Commission bases the cost associated with the Paperwork Reduction Act of 1995 (PRA) administration on staff time, and other costs related to compliance with the PRA. These costs include: reviewing and analyzing the reporting/recordkeeping/posting requirements; developing, processing, and issuing the public notices and PRA supporting statement and materials, analyzing and addressing any public comments, and publishing notices in the Federal Register.

	<b>No. of Employees (FTE’s)<sup>9</sup></b>	<b>Estimated Annual Federal Cost (\$)<sup>10</sup></b>
<b>Analysis and Processing of Filings</b>	1.94	\$307,983
<b>PRA Administrative Cost</b>		\$5,723

<sup>8</sup> Based on additional information, we are revising the estimated average burden per response to 80 hours (rather than 10 hours). The reporting requirements have not changed.

<sup>9</sup> FTE=Full-Time Employee.

<sup>10</sup> FERC’s 2017 annual average (for salary plus benefits) is \$158,754.

<b>FERC total</b>		\$313,706
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**15. REASONS FOR CHANGES IN BURDEN INCLUDING ANY INCREASE**

There are no changes in the information collection requirements and no program changes to the figures. However there are ‘adjustments in estimates’ for some of the components.

- The Commission expects to process approximately 14 (rather than 16) surrender applications each year. The change in the estimated number of responses reflects normal fluctuations in industry and the economy.
- In addition, based on additional information, the Commission is adjusting the estimated burden per filing (or per response) to 80 hours (rather than 10 hours). This adjustment in estimated burden per response also increases the total burden by 960 hours (even though there are 2 fewer responses).

[These revised estimates are also reflected in #12 above.]

The estimates, below, show the OMB-approved inventory (from ROCIS and reginfo.gov) and updates.

<b>FERC-510</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	14	16	-2	0
Annual Time Burden (Hr.)	1,120	160	+960	0
Annual Cost Burden (\$)	0	0	0	0

**16. TIME SCHEDULE FOR THE PUBLICATION OF DATA**

There are no plans for publication of the information collection. The data are used for regulatory purposes.

**17. DISPLAY OF EXPIRATION DATE**

The PRA information (including expiration date and OMB Control No.) is available on [www.ferc.gov](http://www.ferc.gov) at <http://www.ferc.gov/docs-filing/info-collections.asp>.

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

FERC-510 (OMB Control No. 1902-0068)

There are no exceptions.

**ATTACHMENT**

*[Note that 18CFR 6.5 is not part of FERC-510 and is not included below.]*

**Code of Federal Regulations**

**Title 18 - Conservation of Power and Water Resources**

**PART 6—SURRENDER OR TERMINATION OF LICENSE**

Sec.6.1Application for surrender.

6.2Surrender of license.

6.3Termination of license.

6.4Termination by implied surrender.

Authority:Secs. 6, 10(i), 13, 41 Stat. 1067, 1068, 1071, as amended, sec. 309, 49 Stat. 858; 16 U.S.C. 799, 803(i), 806, 825h; Pub. L. 96-511, 94 Stat. 2812 (44 U.S.C. 3501 et seq.), unless otherwise noted.

**§ 6.1 Application for surrender.** Every application for surrender of a license shall state the reason therefor; and, except in the case of an application for surrender of a license for a minor project, or for a transmission line only, shall be executed by the licensee and filed in the same form and manner as the application for license, and shall be accompanied by the license and all amendments thereof. Public notice of such application shall be given at least 30 days prior to action upon the application.(Secs. 308 and 309; 49 Stat. 858, 859 (16 U.S.C. 825g, 825h)) [Order 570, 42 FR 40191, Aug. 9, 1977]

**Cross References:**For application for license, general provisions, see §§ 4.30 to 4.33, inclusive, of this chapter. For application for license for proposed major project or minor part thereof, see §§ 4.40 to 4.41, inclusive, of this chapter. For application for license for constructed major project or minor part thereof, see §§ 4.50 and 4.51 of this chapter.

**§ 6.2 Surrender of license.** Licenses may be surrendered only upon the fulfillment by the licensee of such obligations under the license as the Commission may prescribe, and, if the project works authorized under the license have been constructed in whole or in part, upon such conditions with respect to the disposition of such works as may be determined by the Commission. Where project works have been constructed on lands of the United States the licensee will be required to restore the lands to a condition satisfactory to the Department having supervision over such lands and annual charges will continue until such restoration has been satisfactorily completed. [Order 175, 19 FR 5217, Aug. 18, 1954]



**§ 6.3 Termination of license.** Licenses may be terminated by written order of the Commission not less than 90 days after notice thereof shall have been mailed to the licensee by certified mail to the last address whereof the Commission has been notified by the licensee, if there is failure to commence actual construction of the project works within the time prescribed in the license, or as extended by the Commission. Upon like notice, the authority granted under a license with respect to any separable part of the project works may be terminated if there is failure to begin construction of such separable part within the time prescribed or as extended by the Commission. (Administrative Procedure Act, 5 U.S.C. 551-557 (1976); Federal Power Act, as amended, 16 U.S.C. 291-628 (1976 & Supp. V 1981), Dept. of Energy Organization Act 42 U.S.C. 7101-7352 (Supp. V 1981); E.O. 12009, 3 CFR 142 (1978)) [Order 141, 12 FR 8491, Dec. 19, 1947, as amended by Order 344, 48 FR 49010, Oct. 24, 1983]

**§ 6.4 Termination by implied surrender.** If any licensee holding a license subject to the provisions of section 10(i) of the Act shall cause or suffer essential project property to be removed or destroyed, or become unfit for use, without replacement, or shall abandon, or shall discontinue good faith operation of the project for a period of three years, the Commission will deem it to be the intent of the licensee to surrender the license; and not less than 90 days after public notice may in its discretion terminate the license. [Order 141, 12 FR 8491, Dec. 19, 1947]