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Supporting Statement for Hydroelectric Incentive Programs

# Part A: Justification

**OMB No. 1910-NEW**

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U.S. Department of Energy

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Table of Contents

[Part A: Justification i](#_Toc16271317)

[Introduction 2](#_Toc16271318)

[A.1. Legal Justification 2](#_Toc16271319)

[A.2. Needs and Uses of Data 2](#_Toc16271320)

[A.3. Use of Technology 3](#_Toc16271321)

[A.4. Efforts to Identify Duplication 3](#_Toc16271322)

[A.5. Provisions for Reducing Burden on Small Businesses 3](#_Toc16271323)

[A.6. Consequences of Less-Frequent Reporting 3](#_Toc16271324)

[A.7. Compliance with 5 CFR 1320.5 3](#_Toc16271325)

[A.8. Summary of Consultations Outside of the Agency 4](#_Toc16271326)

[A.9. Payments or Gifts to Respondents 5](#_Toc16271327)

[A.10. Provisions for Protection of Information 5](#_Toc16271328)

[A.11. Justification for Sensitive Questions 5](#_Toc16271329)

[A.12A. Estimate of Respondent Burden Hours 5](#_Toc16271330)

[A.12B. Estimate of Annual Cost to Respondent for Burden Hours 6](#_Toc16271331)

[A.13. Other Estimated Annual Cost to Respondents 6](#_Toc16271332)

[A.14. Annual Cost to the Federal Government 6](#_Toc16271333)

[A.15. Reasons for Changes in Burden 7](#_Toc16271334)

[A.16. Collection, Tabulation, and Publication Plans 7](#_Toc16271335)

[A.17. OMB Number and Expiration Date 7](#_Toc16271336)

[A.18. Certification Statement 7](#_Toc16271337)

## Introduction

**Provide a brief introduction of the Information Collection Request. Include the purpose of this collection, note the publication of the 60-Day Federal Register Notice, and provide the list of forms within this collection.**

This supporting statement provides additional information regarding the Department of Energy (DOE) request for processing of the proposed information collection, Hydroelectric Incentive Programs. The purpose of the collection is to determine eligibility in accordance with the statute, all collection will be done electronically through the Clean Energy Infrastructure Funding Opportunity Exchange and email. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, “Instructions for Completing OMB Form 83-I.”

## A.1. Legal Justification

**Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the information collection.**

Congress directed the Secretary of Energy to make incentive payments to the owners or operators of hydroelectric facilities for: electric energy generated and sold by a qualified hydroelectric facilities (“Section 242” Hydroelectric Production Incentives, under 42 U.S.C. § 15881), capital improvements in the facilities that are directly related to improving the efficiency of such facilities (“Section 243” Hydroelectric Efficiency Improvement Incentives, under 42 U.S.C. § 15882); and for capital improvements (“Section 247” Maintaining and Enhancing Hydroelectricity Incentives, under 42 U.S.C. § 15883). Collectively, these programs are known as the “Hydroelectric Incentive Programs.”

To qualify for payments under each of the Hydroelectric Incentive Programs, applicants must demonstrate that they qualify under distinct statutory definitions. For examples, applicants must demonstrate:

* The facility is a “qualified hydroelectric facility” as defined by statute (Section 242);
* Payments to “owners or operators of hydroelectric facilities at existing dams to be used to make capital improvements in the facilities that are directly related to improving the efficiency of such facilities by at least 3 percent,” (Section 243); and
* Payments for capital improvements which directly relate to improving grid resiliency, improving dam safety, or environmental improvements (Section 247).

## A.2. Needs and Uses of Data

**Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection**

DOE’s Grid Deployment Office (GDO) proposes to collect, via the Clean Energy Infrastructure Funding Opportunity Exchange and email, information through applications and supporting documents necessary to determine that a subject facility meets the specified statutory criteria to receive payments under the hydroelectric incentive programs, and for ongoing reporting requirements related to the hydroelectric incentive programs.

## A.3. Use of Technology

**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, e.g., permitting electronic submission of responses.**

GDO proposes to collect 100% of information electronically, using appropriate information technology to collect applications and supporting documents electronically via the Clean Energy Infrastructure Funding Opportunity Exchange, using readily available software, e.g., Portable Document Format (PDF or .pdf) and Microsoft Word (.doc).

## A.4. Efforts to Identify Duplication

**Describe efforts to identify duplication.**

To GDO and DOE’s knowledge, there is no other duplicate effort to collect this information.

## A.5. Provisions for Reducing Burden on Small Businesses

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

To the extent the proposed information collection would impact small businesses, the information collected is information that the applicant is expected to already have available (e.g., the location and physical address of the subject facility; a description of the generation source; appropriate determination from the Federal Energy Regulatory Commission (FERC) required to operate the facility; documentation of FERC construction authorization; details on how the hydroelectric energy generated from the new unit(s) is metered; the total amount of electric energy for the calendar year in which payment is requested; a statement, invoice, or bill of sale for the annual and monthly metered net hydroelectric energy generated and sold during the application period and a table summarizing monthly invoice amounts). It is expected that applicant will rely on existing record keeping systems to generate and maintain the information.

## A.6. Consequences of Less-Frequent Reporting

**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.**

The proposed information collection is necessary to verify that the subject facilities meet statutory requirements to qualify for a financial incentive. As the incentives are specific to activities that occur within a particular year, there are no alternatives to collecting the information less than once-annually. Absent this collection there is no means to verify the eligibility for an incentive or that incentive payments are used for the purposes outlined by Congress, hence ongoing reporting requirements.

## A.7. Compliance with 5 CFR 1320.5

**Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines:**

**(a) requiring respondents to report information to the agency more often than quarterly;**

**(b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

**(c) requiring respondents to submit more than an original and two copies of any document;**

**(d) requiring respondents to retain records, other than health, medical government contract, grant-in-aid, or tax records, for more than three years;**

**(e) in connection with a statistical survey, that is not designed to product valid and reliable results that can be generalized to the universe of study;**

**(f) requiring the use of statistical data classification that has not been reviewed and approved by OMB;**

**(g) that includes a pledge of confidentially that is not supported by authority established in stature of regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

**(h) requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information’s confidentiality to the extent permitted by law.**

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines. The information collection is being conducted in a manner that is consistent with OMB guidelines.

## A.8. Summary of Consultations Outside of the Agency

**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. Summarize public comments received in response to that notice and describe actions taken in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or report.**

DOE published a 60-day Federal Register Notice and Request for Comments concerning this collection; 88 FR 3399 (January 19, 2023).

No comments were received by DOE in response to the 60-day Notice and Request for Comments.

Additionally, DOE presented a webinar on the Hydroelectric Incentive Programs on February 16, 2023, at which participants from the hydropower industry provided comment on the proposed collection. Those comments are addressed in the following sections.

DOE published a 30-day Federal Register Notice and Request for Comments concerning this collection; 89 FR 15986 (March 6, 2024).

No comments were received by DOE in response to the 30-day Notice and Request for Comments.

## A.9. Payments or Gifts to Respondents

**Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payment or gift has been, or will be, provided to respondents.

## A.10. Provisions for Protection of Information

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

To the extent this information collection request (ICR) involves the collection of proprietary trade secrets, or other confidential business information, GDO will treat such information as required under Federal Law and DOE regulations, directives, and procedures.

## A.11. Justification for Sensitive Questions

**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 justification should include the reasons why DOE considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

The ICR asks no questions of a sensitive, personal, or private nature.

## A.12A. Estimate of Respondent Burden Hours

**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. Unless directed to do so, DOE should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample fewer than 10 potential respondents is desirable.**

The estimated burden, expressed in burden hours, is the sum of burden reported by DOE elements and organizations as estimated by expert personnel familiar with these collections. Burden hour computations for required reports are based on the number of estimated responses multiplied by the average hours required by respondent to prepare each response. The burden estimate is based on actuals from previous years of similar programs and estimates for future activities as well as comments received as part of a webinar DOE presented on the Hydroelectric Incentive Programs. These comments stated that for certain applicants the application could take 40 hours. The hour burden per respondent has been adjusted to reflect the number of burden hours identified in comments received in the webinar. Each applicant for DOE financial incentive is required to submit a new application for each year.

Under these calculations, the estimated annual burden hours of this information collection (IC) are as follows:

|  |  |
| --- | --- |
| **Table A1. Estimated Respondent Hour Burden** |  |
| **Form Number/Title (and/or other Collection Instrument name)** | **Type of Respondents** | **Number of Respondents** | **Annual Number of Responses** | **Burden Hours Per Response** | **Annual Burden Hours** | **Annual Reporting Frequency** |
| Applications | Applicants | 200 | 200 | 40 | 8000 | 1 |
| **TOTAL** |  | **200** | **200** |  | **8000** |  |

## A.12B. Estimate of Annual Cost to Respondent for Burden Hours

**Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included under ‘Annual Cost to Federal Government’.**

DOE estimates annualized cost to respondents for burden hours per report is $533,920. Per the Bureau of Labor Statistics, private industry employer costs averaged $66.74 per hour worked for the professional, scientific, and technical services industry. Wages and salaries averaged $46.90 per hour worked and represented 70.3 percent of total compensation costs, while benefit costs averaged $19.84 and accounted for the remaining 29.7 percent.[[1]](#footnote-3)

|  |  |
| --- | --- |
| **Table A2. Estimated Respondent Cost Burden** |  |
| **Type of Respondents** | **Total Annual Burden Hours** | **Hourly Wage Rate** | **Total Respondent Costs** |
| Applicant | 8,000 | $ 66.74 | $ 533,920 |
| **TOTAL** | **8,000** |  | **$ 533,920** |

## A.13. Other Estimated Annual Cost to Respondents

**Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information.**

There are no additional costs for the respondents in the collection of this data that is outside of customary and usual business or private practices.

## A.14. Annual Cost to the Federal Government

**Provide estimates of annualized cost to the Federal government.**

The estimated federal burden is based on the total number of hours it would take to complete desktop reviews of reports and verify information. The estimate for a fully burdened, average full time equivalent (FTE) person is approximately $86.26/hour. The fully burdened rate estimates used a fully burdened labor rate of $63.43/hour. This included a $63.43/hour base rate for a GS 14 Step 1, which was based on current staffing, and 36% for fringe benefits, which was rounded down from the 36.25% fringe benefit factor included in OMB Circular A–76. DOE approximates 2 hours to review each report.

• 200 reports/year x 2 hours/report x $86.26/hour = $34,504

## A.15. Reasons for Changes in Burden

**Explain the reasons for any program changes or adjustments reported in Items 13 (or 14) of OMB Form 83-I.**

New collection.

## A.16. Collection, Tabulation, and Publication Plans

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

Not applicable.

## A.17. OMB Number and Expiration Date

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

There is no form associated with this ICR.

## A.18. Certification Statement

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

There are no exceptions being requested.

1. <https://www.bls.gov/news.release/ecec.t04.htm> [↑](#footnote-ref-3)