



# Supporting Statement A for the EIA-63C Densified Biomass Fuel Report

OMB No. 1905-  
0209

May 2024

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## Introduction

The U.S. Energy Information Administration (EIA) is the statistical and analytical agency within the U.S. Department of Energy (DOE). It collects, analyzes, and disseminates independent and impartial energy information to promote sound policymaking, efficient markets, and public understanding regarding energy and its interaction with the economy and the environment.

EIA requests a three-year extension, with no changes, from the Office of Management and Budget (OMB) to Form EIA-63C, *Densified Biomass Fuel Report*.

Form EIA-63C is part of EIA's comprehensive energy data program. This mandatory survey collects information from facilities that manufacture densified biomass fuel products in the United States. Data collected include product characteristics, domestic and export sales, and average price of densified biomass fuel products used for energy applications. The information collected is the primary national source on the nation's production of biomass fuel for heating and electric power generation in domestic and export markets.

## Change to Survey Form

EIA proposes to make the following change to the Form EIA-63C Monthly Densified Biomass Fuel Report Instructions to clarify the reporting requirements.

- Adding the word "heating" to the instructions on Part 1 and 2: "Do not report products for grilling, animal bedding, or uses other than heating fuel."

This adjustment to the instructions is in response to stakeholders asking for the collection of cooking or barbeque pellets data on this form. The EIA-63C survey does not include cooking fuel, and this change in instructions will further clarify that those types of products are out of scope for this data collection.

### A.1. Legal Justification

The authority for these data collection is provided by the following provisions:

1. Title 15 U.S.C. §772(b), which establishes the mandatory reporting requirement of owners and operators of businesses in the U.S. to make available energy supply and consumption data to the EIA Administrator.
2. Title 15 U.S.C. §764(a,b), which establishes the EIA Administrator's powers to plan, direct, and conduct mandatory and voluntary energy programs that are designed and implemented in a fair and efficient manner. These powers include duties to collect, evaluate, assemble, and analyze energy information on U.S. reserves, production, demand, and related economic data, while obtaining the cooperation of business, labor, consumer, and other interests.
3. Title 15 U.S.C. §790(a), which establishes a National Energy Information System that is the enclave containing the energy data collected by EIA, which allows EIA to describe and analyze

energy supply and consumption in the U.S. This enclave allows EIA to perform statistical and forecasting activities to meet the needs of the Department of Energy, Congress, and the States.

## A.2. Needs and Uses of Data

The purpose of Form EIA-63C is to collect statistics on densified biomass fuel production, distribution, trade, consumption, prices, and stocks.

The U.S. Forest Service uses the data collected on Form EIA-63C. Estimating future production capacity and the level of export of densified biomass fuel have become an issue of analysis and scrutiny for forest policymakers at local, national, and international levels. Data from Form EIA-63C support the U.S. Forest Service's continued research on the production and export of densified biomass fuel. The U.S. Forest Service also uses these data to prepare summary documents for the U.S. Forest Service assessments and to document production and exports for the chief of the U.S. Forest Service to present at international hearings and conferences. EIA-63C data were also used to discuss the sustainability of both production of biomass fuel and management of the U.S. public and private forest lands—issues always raised by Foreign Agricultural Service Officers of the USDA in London, Brussels, and Washington, DC. The U.S. Forest Service also uses Form EIA-63C feedstock source data to compare with data it collects in its [Forest Inventory and Analysis National Program](#) to assess the sustainability and productivity of U.S. national and private forest lands.

EIA also uses these data to answer queries from the U.S. Congress, other federal and state agencies, the biomass fuel industry, and the general public and for other analytical activities. Other data users include policymakers, regulators, energy market analysts, academics, and those working in renewable energy industries. For example, survey respondents use Form EIA-63C data to compare pellet prices with other winter heating fuels. Producers of densified biomass fuel use the data to forecast fuel demand during the winter heating season. Future Metrics, a consulting agency that provides information, market analysis, operations guidance, and strategic advice to companies in the densified biomass fuel production sector, recently used data collected by Form EIA-63C in its [2018 North American Pellet Market Quarterly](#). It specifically used, republished, and cited EIA data on inventory, capacity, production, and sales of densified biomass fuel in its report.

Outside of the data collected from Form EIA-63C, the available quantitative information on the densified biomass industry is minimal, and limited data are available at the state level. Published data based on Form EIA-63C provide comprehensive information. In the absence of a centralized and public data collection by EIA, each state would have to undertake its own data collection effort, and in many cases, request duplicative information from firms with operations that cross state lines. EIA ensures an efficient and consistent data collection with minimum cost to the public and respondents.

The data collected on this survey are used in EIA reports released on EIA's website, including but not limited to:

- [Monthly Densified Biomass Fuel Report](#)
- [Short-Term Energy Outlook](#)
- [Monthly Energy Review](#)

### A.3. Use of Technology

Form EIA-63C uses internet-based data collection systems as the primary means of data collection. The majority of communications with respondents is by email.

Internet data collection is the primary collection mode for the survey. The internet-based system allows respondents to enter their data directly into the EIA survey databases. This practice reduces the time needed for data collection and processing. The system identifies reported data that fail edit specifications before respondents submit and allows respondents to make necessary corrections or explain unusual situations that impact the reported data. This data editing process reduces respondent burden by reducing the number of times a respondent would need to resubmit forms prior to acceptance by EIA. It also improves the timeliness of reporting the information to the public.

### A.4. Efforts to Identify Duplication

The data elements collected on Form EIA-63C are not duplicated in other surveys or sources known to EIA. EIA reviews and evaluates available densified biomass industry information from a variety of sources, including other federal agencies, industry trade associations, state governments, and commercial information services, to identify instances of duplication. In addition, in the public notices and consultations associated with the triennial re-clearance of Form EIA-63C, EIA encourages respondents and data users to identify alternative sources of the densified biomass information EIA proposes to collect. Instances of potential data duplication identified by EIA are evaluated in terms of data coverage, level of aggregation, frequency of collection, data reliability, and statutory requirements to determine whether alternative data sources represent a suitable substitute for EIA data.

Several other government and private entities conduct biomass energy data collection, estimation, and/or publication programs. These entities include:

- Pellet Fuels Institute
- USDA Forest Service’s Forest Inventory and Analysis National Program
- State Energy Offices

EIA has evaluated other sources of data relating to the densified biomass industry and has found no other source that can replace Form EIA-63C (see Table 1). This is because of differences in classification, inconsistency, incompleteness, unavailability, or lack of universal coverage.

**Table A1. Non-EIA Pellet Fuel Data Collection Programs and Forms**

Responsible Group	Form or Collection		Notes
	No.	Title	
Pellet Fuels Institute	N/A	PFI Pellet Industry Survey	This survey covers approximately 20% of the industry. The last survey was for 2012 and collected data on production, pricing, feedstock, and sales of densified biomass fuel. The lack of adequate market coverage and unavailability of any current data series prevent this data series from being an appropriate substitute for Form EIA-63C data.

U.S. Forest Service	N/A	Forest Inventory	The U.S. Forest Service collects data on woody biomass production from public and private forests from the USDA Forest Service National Woodland Owner Survey. It doesn't track or collect how the wood removed from the forest is consumed. It only tracks how much wood is removed from a forest. There is some overlap with the collection of feedstock data. The respondents to Form EIA-63C are the receivers and buyers of biodensified feedstocks. U.S. Forest Service collects data from the owners of forests where the trees were originally harvested. The frame file for the U.S. Forest Service is logging companies. These logging companies are different from the biomass suppliers reporting on the EIA-63C frame file.
States	N/A	N/A	New Hampshire, Maine, Vermont, Massachusetts, and New York collect data on densified biomass fuel use and appliances along with incentives for replacing fossil fuel with biomass for space heating. These programs focus on the end user of the densified biomass fuel: people or businesses with wood burning stoves for home heating (which EIA does not collect). The states collect information on who uses these stoves so that the proper incentives can be awarded to lower the cost of installation and maintenance. For example, New York has a program called Renewable Heat NY. This program awards rebates or low interest loans to homeowners who install new pellet stoves for home heating, especially in areas with limited access to natural gas.

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

EIA recognizes the need to minimize the reporting burden on small businesses and designs data surveys so that small operations are not unduly affected. In addition, EIA has established reporting thresholds for surveys likely to affect small businesses. These thresholds either eliminate the reporting requirement for small businesses or limit the amount of information they are asked to supply.

Through its internet data collection system, EIA pre-populates data elements for items that do not frequently change. The pre-population allows respondents (both large and small) to verify that the previously reported information has not changed, as opposed to entering the same information for each survey cycle. In addition, the internet data collection system with its built-in edits has reduced the burden on businesses by reducing call-backs to verify or correct questionable data.

Small biomass fuel manufacturers (manufactures with annual capacity less than 10,000 tons) only need to report Part 1 (identification) and Part 2 (operational status, capacity, and year of initial operation) annually to minimize their reporting burden.



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

Less frequent reporting would not allow EIA to meet its mandate of providing timely, reliable energy information to the Congress, other federal, state, and local governments, industry, and the general public. If this survey went from a monthly to an annual frequency, the users would have a much tougher time forecasting their production needs for the winter and the cold weather months. With more frequent publications of values such as inventory numbers, respondents can better prepare for a shortage or surplus.

The monthly information collected on the *Densified Biomass Fuel Report* is used to provide data, in particular price data, that are of greatest value to the industry and analysts when it is timely, particularly during the cold weather months. Since EIA has begun publication of this information, the industry has learned that comparisons of densified biomass fuel prices and the price of fuel oil for home heating are a valuable indicator of near-term demand. The monthly cycle helps inform decisions on production and inventory levels.

## A.7. Compliance with 5 CFR 1320.5

For more information on the substantial need for more frequent data collection than quarterly and EIA's procedures to protect confidential data to the extent permitted by law, see Sections A.6 and A.10. Briefly stated, the timelier the data are, the more useful they are for markets, forecasting, policymaking, planning, and analysis by federal agencies, state agencies, and the public.

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

EIA Staff attended the Pellet Fuel Institutes annual conference on June 8, 2023, and gave a presentation as part of panel called, "Reviewing the Accumulated Data from the Energy Information Administration's Monthly Densified Biomass Fuel Report." The presentation recapped the domestic densified biomass fuel (wood pellet) market for the 2022–2023 winter heating season and exclusively contained data gathered by Form EIA-63C. EIA Staff has been consistently asked to give a presentation analyzing densified biomass fuel every year as a keynote speaker to open the Institute's conference. Last year, around 80 people attended, ranging from all sectors of the densified biomass fuel industry.

In addition, EIA invited public comments on the proposed three-year extension with no changes to Form EIA-63C. EIA published at the Federal Register a 60-day Federal Register Notice in Volume 89, No. 36, page 13,323, on Thursday, February 22, 2024. EIA received comments from five respondents and one industry stakeholder, and it addressed them. All of the comments proposed changes to the form, all of which have been considered by EIA. One of the changes would be quite extensive and would require respondent training and increased burden, as well as alteration to the intended scope of the survey. Most of the changes can be addressed in the short term by using the current data collection process and altering the current data publication, rather than altering the survey. EIA will consider these changes in a future clearance cycle after EIA assesses data confidentiality in the potential alterations to the data publication.

### A.9. Payments or Gifts to Respondents

There will not be any payments made or gifts given to respondents as an incentive to complete the densified biomass survey.

### A.10. Provisions for Protection of Information

Information reported for the following three data elements: Part 1. Name of Facility, Question 1.2. Physical Location of Facility, and Question 2.2. Maximum Annual Production Capacity are considered public information and may be publicly released in company-identifiable form.

All other information reported on this survey will be protected and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the Department of Energy (DOE) regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905.

The Federal Energy Administration Act also requires EIA to provide company-specific data to other federal agencies when requested for official use. The information reported on these forms may also be made available, upon request, to another component of DOE, to any committee of Congress, the Government Accountability Office, or other federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used by other federal agencies for non-statistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

### A.11. Justification for Sensitive Questions

There are no questions of a sensitive nature.

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

The total annual burden is estimated to be 1,282 hours.

Based on the estimated rate of \$91.16 per hour for employees who would complete these forms, the total annual respondent cost for all forms is estimated to be:

$$\$91.16/\text{hour} \times 1,282 \text{ hours/year} = \$116,868$$

An average cost per hour of \$91.16 is used because that is the average loaded (salary plus benefits) cost for an EIA employee assigned to data survey work. EIA assumes that the survey respondent workforce completing surveys for EIA is comparable with the EIA workforce.

**Table B2. Estimated Respondent Burden**

EIA Form Number/Title	Annual Reporting Frequency	Number of Respondents	Annual Number of Responses	Burden Hours per Response	Annual Burden Hours
EIA-63C <i>Densified Biomass Fuel Report</i>	12	76	912	1.40	1,277

Small facilities producing less than 10,000 tons annually	1	17	17	0.25	5
<b>TOTAL</b>		<b>93</b>	<b>929</b>		<b>1,282</b>

### A.13. Annual Cost to the Federal Government

The estimated annual cost to the government for Form EIA-63C, including personnel, maintenance, data collection, and processing by EIA is approximately \$191,436. The data requested will be captured via an internet data collection system and website for which EIA already has technology in place. The estimate of \$191,436 is based on one full-time equivalent (FTE) employee. The current estimate of the hourly rate for an EIA employee is \$91.16/hour. Assuming 2,100 hours per year, the annual cost is \$191,436. The estimate of one FTE is based on experience with other EIA surveys, the frame size of 93 respondents, and the frequency of data collection.

### A.14. Annual Non-Hour Cost Burden

All burdens associated with this collection are hourly burdens.

### A.15. Reasons for Changes in Burden

The number of respondents changed from 106 facilities to 93 because 13 facilities went out of business, so they were no longer part of the frame. The total burden hours changed from 1,433 to 1,282 annual burden hours.

**Table C3. ICR Summary of Burden**

	Requested	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Previously Approved
Total Number of Responses	929	0	-112	1,041
Total Time Burden (Hr)	1,282	0	-151	1,433

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

The data collected in this package are released in EIA reports that are available on the at <https://www.eia.gov/biofuels/biomass/> and are listed at the end of Section A.2. Detailed information on the data elements collected on the form tabulation and publication time schedules are contained in Tables A5 and A6, respectively.

**Table D4. Data Elements Collected on Form EIA-63C**

Elements Collected	Publication Level of Detail
Name and location of facility	Facility level
Status of operation	Aggregate by production capacity and state/region
Year of commercial operation	Aggregate by production capacity and state/region
Annual production capacity	Facility level

Number of direct employees	Aggregate by production capacity and state/region
Feedstock types/cost	Aggregate by production capacity and state/region
Product type, volume, and characteristics (heat, ash, moisture)	Aggregate by production capacity and state/region
Inventory type and volumes	Aggregate by production capacity and state/region
Domestic sales by product type, retail or wholesale, and associated revenues	Aggregate by production capacity and state/region
Export sales by product type, retail or wholesale, associated revenues, destination countries	Aggregate by production capacity and state/region

**Table E5. Collection, Tabulation, and Publication for Form EIA-63C**

Survey Form	Data Collection		Response Due Date	Date Final Data are Ready
	Frequency	Survey Opening Date		
EIA-63C, <i>Densified Biomass Fuel Report</i>	Monthly	First of the month	The last day of the month following the reporting period	45 days after the response due date
Small facilities producing less than 10,000 tons annually	Annually	First business day of May	Annual responses are due the first business day of June.	45 days after response due date.

Respondents can also link to the data series in EIA's [Application Programming Interface \(API\)](#). An API makes EIA data machine-readable and more accessible to users. Links to analytic reports such as the *Monthly Energy Review* and pertinent *Today in Energy* articles are also available from the API. For more information see the EIA website at: <http://www.eia.gov/beta/api/>.

### A.17. OMB Number and Expiration Date

The OMB number (1905-0209) and expiration date will be displayed on the data collection form and instructions.

### A.18. Certification Statement

There are no exceptions to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I. This information collection request complies with 5 CFR 1320.9.