

**SUPPORTING STATEMENT FOR
FERC-714, ANNUAL ELECTRIC BALANCING AUTHORITY AREA
AND PLANNING AREA REPORT**

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review and approve the FERC-714 (“Annual Electric Balancing Authority Area and Planning Area Report” (formerly called “Annual Electric Control and Planning Area Report”); OMB Control No. 1902-0140) for a three-year extension until 10/31/2012. FERC-714 is an existing information collection requirement that is currently approved through 10/31/2009.

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

This information collection is used by the Commission to implement Sections 4, 202, 207, 210, 211-213, 304, 309 and 311 of the Federal Power Act (FPA) as amended (49 Stat. 838; 16 U.S.C. 791 a-825r), Section 3(4) of Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602), and sections 1211, 1221, 1231, 1241 and 1242 of the Energy Policy Act of 2005 (P.L. 109-58) (119 Stat. 594) [Attachment A (with details in “Supplementary Documents” in ROCIS)]. The FERC Form 714 (“FERC-714” or “Form 714”) filing requirements are found at 18 C.F.R. 141.51 (Attachment B).

The information collected allows the Commission to analyze power system operations in the course of its regulatory functions. The purpose of these analyses is to estimate the effect of changes in power system operations that result from the installation of a new generating unit or plant, transmission facilities, energy transfers between systems and/or new points of interconnections. The analyses also serve to correlate rates and charges, assess reliability and other operating attributes in regulatory proceedings, monitor market trends and behaviors, and determine the competitive impacts of proposed mergers, acquisitions and dispositions.

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

FERC-714 information is submitted annually and collects basic transmission operating and planning information, primarily on a balancing authority or planning area basis. The requisite information to be provided pursuant to 18 C.F.R. 141.51 is:

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- (1) Generating plants included in the reporting balancing authority area;
- (2) Balancing authority area monthly capabilities at the time of monthly peak demand;
- (3) Balancing authority area net energy for load and peak demand sources by month;
- (4) Adjacent balancing authority area interconnections;
- (5) Balancing authority area scheduled and actual interchange;
- (6) Planning area demand and forecast summer and winter peak demand and annual net energy for load; and
- (7) Balancing authority area hourly system lambda data.

The Form 714 data are collected annually from any electric utility operating a balancing authority area or any group of electric utilities which, by way of contractual arrangements, operate as a single balancing authority area. Form 714 also includes the following data, submitted electronically: hourly system load and lambda data, 10 year load forecast file and 10 year net energy for load data. The information is then processed by the Commission and made available to the public via the Commission's Internet web site.

One of the main purposes for collecting the Form 714 data is to support the Commission's regulatory efforts associated with the processing of rate applications and cases, proposed mergers and disposition of jurisdictional facilities. The data is also used by the Commission, other federal and state regulatory agencies, transmission users and the public to monitor the operation of the wholesale electric market for possible abuses of market power and the environment. Failure by the Commission to require the Form 714 information to be collected would result in the Commission not meeting its statutory mandates.

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

Form 714 information is filed annually and electronically through FERC's eForms system (details posted at <http://www.ferc.gov/docs-filing/eforms.asp#714>). A few years ago, the FERC converted the filing of the FERC-714 from the paper and/or CD to the electronic eForms filing system. The filings are then uploaded to the FERC's eLibrary system. From 7/14/08-7/14/09, 208 of the 213 FERC-714 accession nos., that are available through eLibrary, were filed through eForms. [Four were submitted through eFiling, and one was submitted on paper and/or CD.]

Links to recent sample filings of FERC-714 are provided at Attachment C.

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 2

Filing requirements are periodically reviewed as OMB review dates arise or as the Commission may deem necessary in carrying out its regulatory responsibilities under the FPA in an effort to alleviate duplication. All Commission information collections are subject to analysis by the Commission staff and are examined for redundancy. There is no other adequate source of the information collected on the FERC Form 714.

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

The filing collects data from principally large public utilities subject to the Commission's jurisdiction.

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

18 C.F.R. 141.51 of the Commission's Regulations require any electric utility or group of electric utilities that constitute a planning area with a peak greater than 200 MW to file the Form 714 data on or before June 1 each year. The information collected is used on a continual basis by the Commission staff to: review rates and charges, reliability issues and market structure relationships; by the U.S. Environmental Protection Agency to monitor the environmental impacts of electric generation as the power industry has become more competitive; the Energy Information Administration (EIA) to model various electricity markets; and other federal and state regulatory authorities, market participants and the public to access and monitor the wholesale electric market and to determine the competitive impacts of proposed mergers and acquisitions. Some of the information changes markedly from one year to the next. If the collection were collected less frequently, the Commission would be unable to perform its mandated review in a timely and accurate manner.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

There are no special circumstances requiring the collection to be conducted in a manner inconsistent with OMB's regulations at 5 CFR 1320.5.

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

In accordance with OMB requirements in 5 C.F.R. 1320.8(d), a Notice requesting comments on the reporting requirements of FERC-714 was issued in FERC Docket No. IC09-714 on 5/7/09 (available through eLibrary at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12012357>) and published in the **Federal Register** (74FR22913, 5/15/09). There were no comments filed in response to this Notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

No gifts or payments have been made to the respondents.

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

All information filed on the FERC Form 714 is public information and therefore is not confidential.

**11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A
SENSITIVE NATURE THAT ARE CONSIDERED PRIVATE**

There are no questions of a sensitive nature that are considered private.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

These burden figures are based on a limited survey of stakeholders in 2009. (See Question 15 for an explanation of the change in the burden, compared to the current inventory.)

FERC Data Collection	Number of Respondents Annually (1)	Number of Responses Per Respondent (2)	Average Burden Hours Per Response (3)	Total Annual Burden Hours (1)x(2)x(3)
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FERC-714	215	1	87 ¹	18,705 Error: Reference source not found
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[Note: These figures may not be exact, due to rounding.]

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

This Supporting Statement (Request for Extension). Based on the limited survey of stakeholdersError: Reference source not found, the total estimated annual cost burden to respondents is \$885,155 (215 respondents X \$4,117 per respondent). Footnote 1 provides details. The increase in the total annual cost estimate (compared to the figure in 2006) is based on current burden and cost data from stakeholders, and increased salary costs.

Current, Approved Inventory. For the current, approved inventory (approval dated 10/3/06), OMB’s ROCIS system displays a cost of \$0. However, the corresponding FERC supporting statement shows: “[t]he estimated annualized cost to respondents is \$606,347”² for the 10,750 total burden hours.

14. ESTIMATE ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The estimated annualized cost³ to the Federal Government is \$65,628, based on the following components:

Forms Clearance Review	\$
	1,480

¹ These figures are based on a limited survey in 2009 of 8 respondents. The average estimated annual burden per respondent (and filing) is 87 hours. Using the number of hours spent by each specific job title or level, the estimated annual staff cost was calculated based on the nationwide average annual salary for various levels of engineers, found in the Occupational Outlook Handbook (2008-09 Edition) [posted on the Bureau of Labor Statistics website at <http://www.bls.gov/oco/ocos027.htm>]. The estimated average annual staff cost for preparing the FERC-714 was \$3,603.

The respondents surveyed had additional costs of \$514, on average per year. Therefore the total estimated average annual cost per respondent is \$4,117.

² It stated that “[o]f the total cost, it is estimated that \$233,989 is attributable to start up costs for the purchase of software to conduct system lambda analysis and hourly peak demand and reserve data and \$372,358 for operations and maintenance (data entry, filing of Form 714, maintenance of operational data).”

³ The “Cost per Staff Employee” is based on the estimated, annual, allocated cost per FERC employee for fiscal year 2009. The estimated \$128,297 “cost” includes salaries, benefits and overhead. The number of hours an employee works each year is 2,080.

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Processing and Review of Data (6 months of staff time) \$64,148

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

The current approved OMB inventory for FERC-714 reflects 215 respondents, with 1 annual response each, at an average of 50 burden hours per response, giving a total annual burden of 10,750 hours. In this supporting statement and request for extension, there is **no** change in the information collection or regulations, but we are providing more accurate data on the burden hours and cost, based on a limited survey of respondentsError: Reference source not found, that was requested by OMB.

OMB's Terms of Clearance in its last approval of the FERC-714 (dated 10/03/2006) stated:

“OMB notes that FERC intends to migrate form 714 to an internet-based application by 2008. Prior to submitting this package for its next extension request, the agency should consult with stakeholders to verify the burden associated with the new application. The agency should provide the names and numbers of the people who were consulted.”

As a result, FERC consulted with 8 stakeholdersError: Reference source not found to determine the estimated costs and burdens. [The list of contacts will be made available separately to OMB.] As a result of those consultations, the estimated burden per filing is increased to 87 hours (from the currently approved 50 hours), revising the total annual burden to 18,705 hours (from 10,750 hours) [an increase of 37 hours per filing, and a total annual burden increase of 7,955 hours].

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

The results of this information collection are not published. However, the actual information submitted is posted on the FERC web site.

17. DISPLAY OF EXPIRATION DATE

The latest expiration date for OMB approval of the information collection is displayed at <http://www.ferc.gov/docs-filing/eforms.asp#714> on the web page and the sample form.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

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The Commission does not use statistical survey methodology for this information collection.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This is not a collection of information employing statistical methods.

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ATTACHMENT A

Statutory excerpts related to FERC-714 are attached in a separate file in ROCIS under “Supplementary Documents.”

e-CFR Data is current as of July 10, 2009

Title 18: Conservation of Power and Water Resources

[PART 141—STATEMENTS AND REPORTS \(SCHEDULES\)](#)

§ 141.51 FERC Form No. 714, Annual Electric Balancing Authority Area and Planning Area Report.

(a) *Who must file.* (1) Any electric utility, as defined by section 3(4) of the Public Utility Regulatory Policies Act, 16 U.S.C. 2602, operating a balancing authority area, and any group of electric utilities, which by way of contractual arrangements operates as a single balancing authority area, must complete and file the applicable schedules in FERC Form No. 714 with the Federal Energy Regulatory Commission.

(2) Any electric utility, or group of electric utilities that constitutes a planning area and that has a peak load greater than 200 megawatts (MW) based on net energy for load for the reporting year, must complete applicable schedules in FERC Form No. 714.

(b) *When to file.* FERC Form No. 714 must be filed on or before each June 1 for the preceding calendar year.

(c) *What to file.* FERC Form No. 714, Annual Electric Balancing Authority Area and Planning Area Report, must be filed with the Federal Energy Regulatory Commission as prescribed in §385.2011 of this chapter and as indicated in the General Instructions set out in this form.

[58 FR 52436, Oct. 8, 1993 as amended by Order No. 20723, 72 FR 20725, Apr. 26, 2007]

ATTACHMENT C

Sample Filings. The following links are to recent sample filings of the FERC-714, available through FERC's eLibrary system.

Submittal 20090708- 8000	07/08/200 9	NorthWestern Energy (South Dakota) submits FERC Form 714 Annual Electric Balancing Authority Area and Planning Area Report for the year ending 2008. Availability: Public	Report/Form	<input type="checkbox"/>	PDF	603K	INFO
	07/08/200 9		Form 714 - Annual Electric Control and Planning Area Report	<input type="checkbox"/>	FERC Generated PDF	607K	FILE
Submittal 20090706- 8001	07/06/200 9	Kansas City Board of Public Utilities & Wyandotte County submits revised FERC Form 714 Annual Electric Balancing Authority Area and Planning Area Report for the year ending 2008. Availability: Public	Report/Form	<input type="checkbox"/>	PDF	1261K	INFO
	07/06/200 9		Form 714 - Annual Electric Control and Planning Area Report	<input type="checkbox"/>	FERC Generated PDF	1267K	FILE
Submittal 20090626- 8000	06/26/200 9	Alliant Energy-East submits revised FERC Form 714 Annual Electric Balancing Authority Area and Planning Area Report for the year ending 2008. Availability: Public	Report/Form	<input type="checkbox"/>	PDF	1357K	INFO
	06/26/200 9		Form 714 - Annual Electric Control and Planning Area Report	<input type="checkbox"/>	FERC Generated PDF	1364K	FILE