

**FERC-715 (OMB 1902-0171)**

**SUPPORTING STATEMENT FOR  
FERC-715, Annual Transmission Planning and Evaluation Report  
(OMB Control No. 1902-0171)  
Approval Request through 03/2013**

Request is made for a three-year extension (through 3/31/2013) of OMB approval for FERC-715, "Annual Transmission Planning and Evaluation Report," (1902-0171) which expires 3/31/2010.

**A. JUSTIFICATION**

**1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY**

The U.S. electric transmission system represents a unified electrical network with most of Canada and part of Mexico. The major networks consist of extra-high-voltage connections that serve as the backbone of electrical operations. These integrated power lines have been designed for system support and to permit the transfer of electrical energy from one part of the network to other segments. Power transfers are, however, not completely free-flowing. Various factors set limits on the extent of the operations. These include restrictions based on lack of contractual arrangements, absence of approved tariffs, reliability considerations (protection of the adequacy of supply and security of operations), and inadequate transmission capability that limits electrical operations.

The Energy Policy Act of 1992 gave the Commission authority to order bulk power transmission owners to provide access to their transmission grids to third parties when requested. This helped to make the transmission system more accessible to outside customers, but in many instances transmission customers did not receive the flexibility of service that transmission owners retained for themselves. Also timely permission to use the grid sometimes did not occur, because the FERC had to review requests on a case-by case basis. To correct these problems, the Commission issued Order No. 888. It required utilities owning bulk power transmission facilities to treat any of their own new wholesale sales and purchases of energy over their own transmission facilities under the same transmission tariffs they apply to others.

The Energy Policy Act of 2005 (EPAAct) granted the Commission significant new responsibilities and new authority to discharge these responsibilities by modifying the Federal Power Act, the Natural Gas Act and the Public Utility Regulatory Policies Act of 1978 (PURPA).

***New Responsibilities***

Significant new responsibilities include:

- overseeing the reliability of the nation's electricity transmission grid;
- implementing new tools, including penalty authority, to prevent market manipulation;

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- providing rate incentives to promote electric transmission investment;
- supplementing state transmission siting efforts in national interest electric transmission corridors; and
- reviewing certain holding company mergers and acquisitions involving electric utility facilities, as well as certain public utility acquisitions of generating facilities.

### ***Electricity Reliability and Infrastructure***

EPAct significantly augmented the Commission's electricity authorities. Perhaps the most important of these are the provisions governing reliability of the bulk power system. For the first time, the Commission was granted authority to oversee mandatory reliability standards governing the nation's electricity grid. The Commission finalized rules on the certification of an Electric Reliability Organization (ERO) and on procedures for the establishment, approval and enforcement of mandatory electric reliability standards.

EPAct also contained a number of provisions directed at expanding and modernizing the nation's electricity grid. The Commission issued a rule on electric transmission pricing reforms designed to promote needed investment in energy infrastructure and benefit energy customers. This will bolster power grid reliability and lower costs for delivered power by reducing transmission congestion. In addition, the Commission issued a rule to require transmission organizations with organized electricity markets to make available to load-serving entities long-term firm transmission rights that satisfy certain guidelines. This will help customers who want to make long term supply arrangements.

EPAct addressed the difficulties of siting major new transmission facilities. It authorized the Secretary of Energy to designate "national interest electric transmission corridors" where there is major transmission congestion. EPAct allows applicants seeking to build transmission within these corridors to seek construction permits from the Commission under certain conditions. While most transmission projects will continue to be sited by states under state law, EPAct granted the Commission this important supplemental siting authority. FERC has issued rules on transmission siting that will govern the issuance of construction permits by the Commission for projects that meet the statutory criteria.

Also with respect to transmission, the Commission signed a Memorandum of Understanding with the Department of Energy and other federal agencies with authority to issue federal authorizations for electric transmission facilities to establish a coordinated federal review and permitting process that continues strong federal environmental protections.

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This information collection is mandated by Section 213 (b) of the Federal Power Act (FPA) [Attachment A], as amended by the Energy Policy Act of 1992. Section 213 (b) requires the Federal Energy Regulatory Commission (FERC or Commission) to collect annually from transmitting utilities sufficient information about their transmission systems to inform potential transmission customers, state regulatory authorities, and the public, of available transmission capacity and constraints. This information collection also supports the Commission's expanded responsibilities under Sections 211, 212, 213(a), 304, 307(a), 309, and 311 of the FPA [Attachment A], as amended, for reviewing reliability issues, market structure relationships, and in rate and other regulatory proceedings. The Commission's FERC-715 filing requirements are found at 18 CFR 141.300 [Attachment B]. [The current instructions are posted at <http://www.ferc.gov/docs-filing/forms/form-715/instructions.asp>.] A draft of the revised instructions [to be posted on the web page, on approval] is included at Attachment C.

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

The FPA Section 213 (b) implements an information collection from transmitting utilities that operate integrated (that is, non-radial) transmission facilities at or above 100 kilovolts. The requisite information to be provided pursuant to 18 CFR 141.300 is:

- (1) power flow base cases for each utility's transmission system;
- (2) a description of each utility's transmission planning assessment practices, including how reliability criteria are applied;
- (3) a description of the transmission planning reliability criteria used to evaluate system performance; and
- (4) system maps and diagrams.

Currently, FERC 715 is submitted to the Commission on electronic media or in hard copy form, with the preferred method being electronic.

The FERC 715 allows potential transmission customers, state and Federal regulatory authorities and the public to determine the potentially available transmission capacity and transmission system constraints. Potential transmission customers (e.g., utility and nonutility generators and transmission dependent utilities) will use the information to determine transmission availability to or from potential wholesale electric power purchasers and sellers. State and Federal regulatory agencies, including FERC itself, use the information as part of their regulatory oversight functions, which include:

- " the review of rates and charges;
- " the disposition of jurisdictional facilities;

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- " consolidation and mergers;
- " adequacy of supply and
- " reliability of nation's transmission grid.

At FERC, the Office of Electric Reliability (OER) helps protect and improve the reliability and security of the nation's bulk power system. OER oversees the development and review of mandatory reliability and security standards, and ensures compliance with the approved standards by the users, owners, and operators of the bulk power system. The office also monitors and addresses issues concerning the nation's bulk power system including assessments of resource adequacy and reliability. Finally, OER supports the other Commission Offices' duties pursuant to reliability including the Office of Enforcement, the Office of Energy Projects, and the Office of Energy Market Regulation.

The FERC 715 information is also used to facilitate and resolve transmission disputes brought before the Commission. Without this information, potential transmission customers would not have the information necessary to plan projects, such as new generation sites, and the Commission would be unable to evaluate requests and other issues related to transmission. Failure by the Commission to require information to be collected would result in the Commission not meeting its statutory mandates.

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

Currently, Form 715 information is filed annually with the Commission using a system of paper filings and electronic media (diskettes and/or CD). The Commission is currently exploring the possibility of replacing the existing combined paper/electronic media system with an electronic system using a web-based application. Beginning in 2005, the Commission started on a trial basis an alternate filing method which eliminated the need to file paper submissions. Approximately two-thirds of the respondents now send their entire filing on CDs, and do not submit a paper filing. The electronic version provides greater clarity and accuracy than its paper counterpart.

**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 Commission staff and are examined for redundancy. Similar sources of information are not available.

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

This filing collects data principally from large public utilities.

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

Section 213 (b) of the FPA requires “that information be submitted annually to the Commission by transmitting utilities which is adequate to inform potential transmission customers, State regulatory authorities, and the public of potentially available transmission capacity and known constraints.”

The FERC-715 information is used on a continual basis by the Commission staff in reviewing reliability issues, and market structure relationships, the U.S. Department of Justice (DOJ) for merger analysis and transmission line relief (TLR) calculation, the Energy Information Administration (EIA) for modeling various electricity markets, and the state regulatory authorities and potential transmission customers to assess whether transmission capacity is available. Some of the information collected changes markedly from one year to the next.

If the collection were conducted less frequently, the Commission would be unable to perform its mandated review in a timely and accurate manner.

The frequency of collecting this information is in compliance with the guidelines specified by the Office of Management and Budget in 5 CFR 1320.5(d)(2)(i).

**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 the OMB’s requirements. This collection of information collection meets OMB's section 1320.5 requirements. The filing requirements for FERC Form 715 require only a single copy for paper filing or electronic filing. The preferred method is electronic filing. If a submitter selects this method, they are only required to submit a single paper copy of the signed transmittal letter.

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

The notice of proposed information collection and request for comments published in the Federal Register on August 30, 2006 (71 FR 51589). No comments were received in response to the notice.

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Most recently, FERC issued a 60-day Notice (posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12139190>) on 9/9/2009 (74FR47566, 9/16/09). FERC received one comment from Edison Electric Institute (EEI), filed on 11/16/2009 (available in FERC's eLibrary at <http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=12198762>).

A summary of the EEI comment, FERC's response, and proposed changes to the requirements follow.

- a. Comment: FERC Order No. 890 now requires regional transmission planning processes. We suggest that respondents be allowed to refer to Attachment K information already available on Regional Planning websites.

FERC response: Respondents are already encouraged to incorporate references to readily available information when preparing their FERC-715 submissions. External information is most often used in Part IV, Transmission Planning Reliability Criteria. However, Order No. 890 does not require utilities to file power flow data or maps with the Commission or otherwise make this data available. Therefore, FERC-715 is the only source for these items.

- b. Comment: The commenter suggests FERC should allow filing via the internet, as well as on CDs, DVDs, diskettes, or in hard copy.

FERC response: The Commission agrees that internet filing has the potential to reduce the burden to industry. Respondents are already given the option of filing via the internet (through eFiling), if the submission can be completed using acceptable file formats. Filings may also be made on CD or DVD. The option of using diskettes is being eliminated, however, due to advances in technology and file sizes being too large for the medium.

- c. Comment: The commenter suggests that a list of changes be provided when the FERC-715 instructions are updated.

FERC response: FERC agrees and will provide this information to respondents beginning with the 2010 filing.

- d. Comment: Certain parts of FERC-715 need only be updated when information changes from previous filings. The commenter suggests that respondents be required to report the last filing date of information that is unchanged.

FERC response: FERC agrees and will incorporate this requirement into the FERC-715 instructions. To reduce the burden on industry, if this date is prior to the 2010

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filing deadline, Respondents need only state that the previous filing was “prior to the 2010 filing.”

e. Comment: FERC-715 responses are considered Critical Energy Infrastructure Information (CEII), and parties requesting access to this data must be vetted and approved by FERC. These parties may also request CEII directly from FERC-715 respondents. We suggest that FERC attempt to confirm to Respondents that parties requesting access to this data have passed the necessary background checks.

FERC response: The process for requesting CEII from the Commission is detailed in Order Nos. 702, 683, 662, 649, 643, 630, and PL02-01-000, and on [www.ferc.gov](http://www.ferc.gov). FERC-715 is not an appropriate venue to address the CEII request process, but the FERC offices responsible for handling CEII requests have been made aware of the suggestion.

A copy of FERC’s proposed, revised instructions is attached.

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

No gifts or payments have been made to the respondents.

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

In response to the events of September 11, 2001, the Commission issued a Policy Statement on October 11, 2001 in PL02-1-000, addressing the treatment of previously public documents. FERC announced that it would no longer make available to the public through its Internet site, e-Library (formerly FERRIS or Federal Energy Regulatory Records Information System) or its Public Reference Room, documents such as oversize maps that detail the specifications of energy facilities already licensed or certificated under Part I of the Federal Power Act and Section 7(c) of the Natural Gas Act. To implement this policy, FERC staff identified and disabled or denied access to other categories of information dealing with licensed or exempt hydropower projects, certificated natural gas pipelines, and electric transmission lines that appeared likely to critical energy infrastructure information, including the information collected on FERC Form 715. The FERC-715 continues to have a security level of “Critical Energy Infrastructure Information”.

In its final rule in Order No. 630 “Critical Energy Infrastructure Information”, the FERC established new procedures for how regulated entities submit certain information to the Commission and created a new process in addition to the Freedom of Information Act (FOIA) process for requesters to use to request information that is not already publicly available. The new steps were necessary to keep sensitive infrastructure information out of the public domain, decreasing the likelihood that such information could be used to plan or execute terrorist attacks.

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[See <http://www.ferc.gov/legal//maj-ord-reg/land-docs/ceii-rule.asp> for additional information on “Critical Energy Infrastructure Information.”]

**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**

18 CFR Part 141.300 of the Commission's regulations requires each transmitting utility, as defined in Section 3(23) of the Federal Power Act, that operates integrated transmission facilities at or above 100 kilovolts to submit the FERC-715.

Many of the regulated transmitting utilities submit some or all of the information through their North American Electric Reliability Corporation (NERC) regions. With two exceptions, power flow base cases are filed by each utility's NERC region (total of nine regions).

The descriptions of each utility's transmission planning assessment practices, including how reliability criteria are applied, the descriptions of the transmission planning reliability criteria used to evaluate system performance, and system maps and diagrams are submitted separately by 101 respondents (with some collected and submitted by NERC region).

The Commission receives filings from approximately 120 entities per year. (See <http://www.ferc.fed.us/electric/F715/Form715.htm> for format.) The estimated average burden per response is 160 hours. This estimate is based on comments received from the Commission's prior notices of information collection published in the Federal Register and staff experience with the filing.

<b>FERC-715</b>	<b>Current OMB Inventory</b>	<b>Proposed OMB Inventory</b>
Estimated number of respondents	183	120
Estimated number of responses per respondent	1.00	1.00
Estimated number of responses per year	183	120
Estimated number of hours per response	160	160
Total estimated burden (hours per year)	29,280	19,200

Program change in industry burden hours : 0  
Adjustment change in industry burden hours: -10,080



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**13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

The estimated annualized cost to respondents<sup>1</sup> is \$1,184,279.90.

<b>Total Annual Burden Hours (1)</b>	<b>Staff Hrs./Year (2)</b>	<b>Annual Cost per Employee (3)</b>	<b>Total Estimated Annual Cost [(1)/(2)]X(3)</b>
19,200	2,080	\$128,297	\$1,184,279.90

The average cost per respondent is \$9,869. [Note: the figures may not be exact, due to rounding.]

**14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT**

The estimated annualized costError: Reference source not found to the FERC is \$65,629 which is equivalent to:

(a)	Forms Clearance Review	\$ 1,480
(b)	Review of Data (6 months staff time)	\$64,149
	Year of Operation Total	\$65,629

The estimate of the cost to the Federal Government is based on salaries for professional and clerical support, as well as direct and indirect overhead costs.

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

The estimated burden hours per filing are unchanged from the Commission's last submission. The number of filers is based on the actual filings, some or all of which is submitted through the North American Electric Reliability Corporation (NERC) regions. With two exceptions, power flow base cases are filed by each utility's NERC region (total of nine regions). See #12 above for more information.

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

The results of this information collection are not published. The data are used for regulatory purposes. See item number 10 above.

**17. DISPLAY OF EXPIRATION DATE**

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<sup>1</sup> The estimate uses 2,080 hours per year at a cost of \$128,297 per year.

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The information is not collected on a standard, printed form which does not avail itself to this display. However, the Commission does display the OMB Control Number and the expiration date on screen (<http://www.ferc.gov/docs-filing/forms.asp#715>) concerning instructions for completing the FERC-715. These instructions may be downloaded from the Commission's web site. The Commission is therefore in compliance with the provisions of 5 CFR 1320.5

### **18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

The Commission does not employ, and it is not applicable to use an "effective and efficient statistical survey methodology" (item 19(i)) for the information collected for the FERC-715. The data collected for this reporting requirement are not used for statistical purposes.

### **B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

This is not a collection of information employing statistical methods. See item 18 above.