

**Supporting Statement for FERC-729, Electric Transmission Facilities
(OMB Control No. 1902-0238)**

Approval Requested through 03/2013

The Federal Energy Regulatory Commission (FERC or Commission) requests the Office of Management and Budget (OMB) extend its approval of FERC-729 for three years (through 03/2013). FERC-729 is an existing data requirement of 18 CFR Part 50, and, as it relates to transmission facilities, 18 CFR 380.3(c)(3), 380.5(d), and 380.16. OMB approval of FERC-729 expires 03/2010.

Background

On August 8, 2005, the Energy Policy Act of 2005 (EPAAct 2005) became law.¹ Section 1221 of EPAAct 2005 adds a new section 216 to the Federal Power Act (FPA) (both included at Attachment A), providing for federal siting of electric transmission facilities under certain circumstances. The Nation's electric system is an extensive, interconnected network of power lines that transport electricity from generator to consumer. The system was originally built by electric utilities over a period of 100 years, primarily to serve local customers and maintain system reliability. However, due to a doubling of electricity demand and generation over the past three decades and the advent of competitive wholesale electricity markets, the need to transfer large amounts of electricity across the grid has increased significantly in recent years.² Investment in new transmission facilities has not kept pace with the need to increase transmission system capacity and maintain system reliability. The blackout of August 2003 highlighted the need to bolster the nation's electric transmission system.

New section 216 of the FPA requires that the Secretary of Energy (Secretary) identify transmission constraints. It mandates that the Secretary conduct a study of electric transmission congestion within one year of enactment and every three years thereafter, and that the Secretary then issue a report, based on the study, which may designate any geographic area experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers as a national interest electric transmission corridor.

Once a national interest transmission corridor is designated by the Secretary, the Commission has the authority under FPA section 216(b) to issue permits to construct or modify electric transmission facilities in such a corridor under certain circumstances. The Commission has the authority to issue permits

¹ Pub. L. No. 109-58, 119 Stat. 594 (2005).

² See Considerations for Transmission Congestion Study and Designation of National Interest Electric Transmission Corridors (Department of Energy), 71 FR 5560 (February 2, 2006). For additional information, see <http://www.oe.energy.gov/nietc.htm>.

to construct or modify electric transmission facilities if it finds that: (1) a State in which such facilities are located does not have the authority to approve the siting of the facilities or to consider the interstate benefits expected to be achieved by the construction or modification of the facilities; (2) the applicant is a transmitting utility but does not qualify to apply for siting approval in the State because the applicant does not serve end-use customers in the State; (3) the State commission or entity with siting authority withholds approval of the facilities for more than one year after an application is filed or one year after the designation of the relevant national interest electric transmission corridor, whichever is later, or the State conditions the construction or modification of the facilities in such a manner that the proposal will not significantly reduce transmission congestion in interstate commerce or is not economically feasible.³

Additionally, under FPA sections 216 (b)(2) through (6), the Commission must find that the proposed facility: (1) will be used for the transmission of electric energy in interstate commerce; (2) is consistent with the public interest;⁴ (3) will significantly reduce transmission congestion in interstate commerce and protect or benefit consumers; (4) is consistent with sound national energy policy and will enhance energy independence; and (5) will maximize, to the extent reasonable and economical, the transmission capabilities of existing towers or structures.

FPA section 216(h)(2) designates the Department of Energy (DOE) as lead agency to coordinate all Federal authorizations needed to construct proposed electric transmission facilities in national interest electric transmission corridors. Under FPA section 216(h)(4)(A), to ensure timely efficient reviews and permit decisions, DOE is required to establish prompt and binding intermediate milestones and ultimate deadlines for all Federal reviews and authorizations required for a proposed electric transmission facility.⁵ Section 216(h)(5)(A) of the FPA requires that DOE as lead agency, in consultation with the other affected agencies, prepare a single environmental review document that would be used as the basis for all decisions for the proposed projects under Federal law.

³ Under FPA section 216(i)(4), the Commission may not issue a permit for facilities within a State that is a party to an interstate compact establishing a regional transmission siting agency unless the members of the compact are in disagreement and the Secretary makes certain findings.

⁴ The Commission will make a public interest determination based on the entire record of the proceeding, and after due consideration of the issues raised.

⁵ Under FPA section 216(h)(6)(A), if any agency has denied a Federal authorization required for a transmission facility, or has failed to act by the deadline established by the Secretary, the applicant or any State in which the facility would be located may file an appeal with the President.

The Secretary determined that it would be beneficial to use the Commission's existing expertise and experience in siting energy facilities to coordinate and process Federal authorizations and related environmental reviews for proposed facilities in national interest transmission corridors. Thus, effective May 16, 2006, the Secretary delegated paragraphs (2), (3), (4)(A)–(B), and (5) of FPA section 216(h) to the Commission as they apply to proposed facilities in designated national interest electric transmission corridors.⁶ Specifically, the Secretary delegated to the Commission DOE's lead agency responsibilities for the purpose of coordinating all applicable Federal authorizations and related environmental review and preparing a single environmental review document for facilities in a designated national interest electric transmission corridor. In developing the environmental document, the Commission will establish prompt and binding intermediate milestones and ultimate deadlines for the review, and ensure that all Federal permits are issued, and reviews for proposed facilities in a designated national interest electric transmission corridor are completed, within a year or as soon as practicable thereafter.

Under FPA section 216(h)(4)(C), DOE is required to provide an expeditious pre-application mechanism for an applicant to confer with the agencies responsible for any separate permitting and environmental reviews required by Federal law. During that process, the agencies are required to communicate to applicants the likelihood for approval for a potential facility and key issues of concern. While DOE will conduct a pre-application process for Federal authorizations under FPA section 216(h)(4)(C), the Commission will also conduct a pre-filing process to facilitate maximum participation from all interested entities and individuals and to assist an applicant in compiling the information needed to file a complete application. Based on its experience in processing applications for natural gas facilities and hydroelectric projects, the Commission has found that an extensive pre-filing process allows the Commission to process the ultimate application expeditiously. The Commission intends that its pre-filing process be consistent with DOE's pre-application process to ensure a prompt and coordinated approach to siting facilities within national interest transmission corridors.

Additional information on FERC's transmission line siting program is available at <http://www.ferc.gov/industries/electric/indus-act/siting.asp> .

A. Justification

⁶ Department of Energy Delegation Order No. 00-004.00A (attached) is posted at <http://www.ferc.gov/industries/electric/indus-act/siting/doe-delegation.pdf> .

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The blackout of August 2003 highlighted the need to bolster the nation's electric transmission system. However, even after the blackout, construction of interstate transmission remained relatively stagnant. This prompted Congress to require that the Department of Energy (DOE) identify transmission constraints. Specifically, EAct 2005 mandates that DOE conduct a study of electric transmission congestion within one year of enactment and every three years thereafter. After DOE conducts the study, EAct 2005 requires that DOE issue a report, based on the study, designating any geographic areas experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers as a national interest electric transmission corridor.

Section 1221 of EAct 2005 added a new section 216 to the Federal Power Act (FPA). Section 216(c)(2) of the FPA requires that the Commission issue rules specifying the form of, and the information to be contained in, an application for proposed construction or modification of electric transmission facilities in a designated national interest electric transmission corridor, and the manner of service of notice of the permit application on interested persons.⁷ The Commission implemented these requirements in a new Part 50 of existing subchapter B of the Commission's regulations. The new procedures required certain modifications to other existing regulations, including the Commission's regulations implementing the National Environmental Policy Act of 1969 (NEPA) in Part 380. [Attachment A includes FERC's regulations in 18 CFR Part 380 and Part 50.]

The purpose of these regulations is to implement the Commission's mandates under EAct 2005 section 1221 which authorizes the Commission to issue permits under FPA section 216(b) for electric transmission facilities and the Commission's delegated responsibility to coordinate all other federal authorizations under FPA section 216(h). Section 50.2(b) and (c) requires any entity seeking a permit to construct electric transmission facilities to file all the information required by the proposed regulations for Commission consideration. The requirements of Part 50 are considered a direct obligation. All filing requirements necessary to issue a construction permit must be filed unless the prospective applicant or applicant provides a specific showing of why something was not filed. Finally, under section 50.2(d), the burden of proof of providing all the information in an intelligible form and justification for omitted data lies on the prospective applicant.

⁷ Federal eminent domain authority is also conveyed with the construction permit. The coordination of Federal actions and eminent domain authority helps to ensure that any project that receives a construction permit is built.

As noted above, in developing the requirements, the Commission satisfied the requirements of section 1221 of EPAct 2005. These regulations provide a timely review process for siting of proposed electric transmission facilities. These regulations provide for, among other things, an extensive pre-application process that will facilitate maximum participation from all interested entities and individuals to provide them with a reasonable opportunity to present their views and recommendation with respect to the need for and impact of the facilities early on in the planning stages of the proposed facilities as required under FPA section 216(d).

Additionally, under FPA section 216(b)(1)(C), the Commission has the authority to issue a permit to construct electric transmission facilities if a state has withheld approval for more than a year or has conditioned its approval in such a manner that it will not significantly reduce transmission congestion or is not economically feasible. The Commission envisions that under certain circumstances the Commission's review of the proposed facilities may take place after one year of the state's review. Accordingly, under section 50.6(e)(3) the Commission will not accept applications until one year after the state's review and then from applicants who can demonstrate that a state may withhold or condition approval of proposed facilities to such an extent that the facilities will not be constructed.⁸ In cases where the Commission's jurisdiction rests on FPA section 216(b)(1)(C),⁹ the pre-filing process should not commence until one year after the relevant State applications have been filed. This will give the States one full year to process an application without any intervening Federal proceedings, including both the pre-filing and application processes. Once that year is complete, an applicant may seek to commence FERC's pre-filing process. Thereafter, once the pre-filing process is complete, the applicant may submit its application for a construction permit.

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

The data filed in FERC-729 enables the Commission to exercise its wholesale electric rate and electric power transmission oversight and enforcement responsibilities in accordance with the Federal Power Act, the Department of

⁸ However, the Commission will not issue a permit authorizing construction of the proposed facilities until it finds that the state has, in fact, withheld approval for more than a year or had so conditioned its approval.

⁹ In all other instances (*i.e.*, where the state does not have jurisdiction to act or otherwise to consider interstate benefits, or the applicant does not qualify to apply for a permit with the State because it does not serve end use customers in the State), the pre-filing process may be commenced at any time.

Energy Organization Act (DOE Act)¹³¹⁰ and EPA Act 2005 and the National Environmental Policy Act.

The Commission established a two-step process for approving permits to construct electric transmission facilities. The first step involves an intense pre-application process that will facilitate maximum participation from all interested entities and individuals, commence coordination of other federal authorization and review processes, and assist the applicant in preparing a complete application. Section 50.1(f) defines a prospective applicant as a person or entity proposing to construct electric transmission facilities in a national interest transmission corridor.

The Participation Plan will detail the prospective applicant's outreach activities that will provide for maximum input from all interested individuals and entities. Section 50.1 defines several of these individuals and entities. Specifically, section 50.1(a) defines affected landowner by referring to 50.4(b) that defines an affected landowner as owners of property interests, as noted in the most recent tax notice, whose property is: (1) directly affected, crossed or used, by the proposed project; or (2) abuts either side of an existing right-of-way or proposed facility site or right-of-way.

Section 50.1(g) defines a stakeholder as a federal, state, or interstate, or local agency, Indian tribes, non-governmental organizations, affected landowners, and other interested person. In other words, a stakeholder is anyone who has expressed an interest in the proposed project.

Under its delegated authority, the Commission will coordinate all federal authorizations that are required to construct the proposed facility. Section 50.1(b) defines federal authorization to include such permits, special use authorizations, certifications, opinions, or other approvals that may be required under federal law to site a transmission facility, as defined in FPA section 216(h)(B). Additionally, section 50.1(e) defines a permitting entity as any entity, including federal, state, or multistate, or local agencies that are responsible for conducting reviews for any federal authorization that will be required to construct an electric transmission facility in a national interest electric transmission corridor.

The Commission currently conducts extensive environmental reviews under the National Environmental Policy Act on 1969 (NEPA)¹¹ of natural gas pipelines under the Natural Gas Act¹² and hydroelectric projects under the FPA.¹³ As part of these reviews, the Commission regularly coordinates efforts with Indian tribes,

¹⁰ 42 U.S.C. 7172.

¹¹ 42 U.S.C. § 4321, et seq.(2000).

federal, state, and local agencies, and other interested parties. The Commission also ensures compliance with other Federal statutes including, but not limited to, the Endangered Species Act of 1973¹⁴ and the National Historic Preservation Act of 1966.¹⁵

Additionally, under its FPA jurisdiction, the Commission will be consulting regularly with the Electric Reliability Organization as approved by the Commission under the amended FPA section 215 and with regional transmission organizations and independent system operators that operate the transmission grid. The Commission also regulates electric transmission access and the rates, terms and conditions of electricity transmission in interstate commerce.

DOE determined that in order to provide the most expedited review of a proposed electric transmission facility, it would be beneficial to use the Commission's existing expertise and experience to coordinate and process all federal authorizations and related environmental reviews for the proposed projects. Thus, in a Delegation Agreement (attached), DOE delegated certain aspects of FPA section 216(h) responsibilities to the Commission as it applies to proposed facilities in designated national interest electric transmission corridors.¹⁶

Specifically, DOE delegated its lead agency responsibilities for the purpose of coordinating all applicable federal authorizations and related environmental review and to prepare a single environmental review document that will be used as the basis for all federal authorizations for the proposed facility in a designated national interest electric transmission corridor.¹⁷ In developing the environmental document, the Commission will be responsible to: (1) provide for an expeditious pre-application process for the processing of all federal authorizations; (2) establish prompt and binding intermediate milestones and ultimate deadlines for the review; and (3) ensure that all federal permits and reviews for proposed

¹² 15 U.S.C. §§ 717 et seq. (2000).

¹³ 16 U.S.C. §§ 791 et seq. (2000).

¹⁴ 16 U.S.C. 1531 et seq. (2000).

¹⁵ 16 U.S.C. § 470 et seq. (2000).

¹⁶ May 16, 2006, posted at <http://www.ferc.gov/industries/electric/indus-act/siting/doe-delegation.pdf> .

¹⁷ DOE's delegation excludes the Secretary's responsibilities as they pertain to the permitting of transmission facilities within corridors designated under section 503 of the Federal Land Policy Management Act (43 U.S.C. 1763).

facilities in a designated national interest electric transmission corridors are completed within a year or as soon is practicable thereafter.¹⁸

Under § 50.5(b), an applicant must meet with the Director of FERC's Office of Energy Projects (OEP) before filing its pre-filing materials. During that meeting, Commission staff will review the applicant's proposed project description, including the status of the applicant's progress towards collecting the data needed to commence the pre-filing process, any preliminary contacts the applicant has had with stakeholders, including its progress in DOE's pre-application process, and preliminary details about the project.

Commission staff will also review the applicant's eligibility for Commission approval of a proposed facility, outline the pre-filing process, and provide guidance as to what further work is necessary to prepare the pre-filing request. Commission staff will also review the proposed project to determine if the applicant will be required to hire a third-party contractor to assist in preparing a NEPA document, under the direction of the Commission staff. The use of a third-party contractor can ensure that the environmental review of a proposed project proceeds expeditiously.

Without the FERC-729 information, FERC would be unable to discharge its responsibility to approve or modify applications to construct electric transmission facilities. Further, the Commission would not be meeting its statutory obligations under the Federal Power Act, in particular to advance the Congressional mandate to facilitate the planning and expansion of transmission facilities.

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

There is an ongoing effort to determine the potential and value of improved information technology to reduce the burden. Specifically, in order to increase the efficiency with which it carries out its program responsibilities, the Commission has been implementing measures to use information technology to reduce the amount of paperwork required in its proceedings. The FERC-729 may be electronically filed through FERC's eFiling. (See the list of Qualified Documents for eFiling at <http://www.ferc.gov/docs-filing/efiling/filing.pdf> .)

¹⁸ Sec. 1221(a)(2) of EPACT 2005 states: "After considering alternatives and recommendations from interested parties (including an opportunity for comment from affected States), the Secretary [of Energy] shall issue a report, based on the study, which may designate any geographic area experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers as a national interest electric transmission corridor." Additional information on DOE's work on the National Interest Electric Transmission Corridors is available on DOE's website at <http://www.oe.energy.gov/nietc.htm>.

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

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 Act in an effort to alleviate duplication. All Commission information collections are subject to analysis by Commission staff and are examined for redundancy. There is no other source of this information.

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

The Commission expects entities seeking approval for interstate transmission siting will be major transmission utilities capable of financing complex and costly transmission projects. The Commission anticipates that the high cost of construction of transmission facilities will not be conducive to small entities' entry into this field, as small entities are defined by the Regulatory Flexibility Act (RFA). Therefore, the Commission concludes that these requirements would not have a significant economic impact on a substantial number of small entities.

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

If the collection were conducted less frequently, the Commission would be unable to perform its mandated oversight and review responsibilities with respect to the electric infrastructure. Competitive energy markets require a secure, high quality and environmentally responsive infrastructure. The Commission's role is to provide consistent policies that promote needed infrastructure development. Fully competitive markets will require extensive regional planning. Transmission constraints in one area can have wide ranging effects for customers throughout a region, including the negative effects that transmission upgrades in one place can have on other parts of the grid. Infrastructure projects inevitably involve competing economic, environmental and landowner interests. To avoid delays in approving electric transmission facility applications, the Commission is seeking to reconcile those interests.

The regulations provide for, among other things, an extensive pre-filing process in § 50.5 to facilitate maximum participation from all stakeholders, to provide them with an opportunity to present their views and recommendations, with respect to the need for and impact of, the facilities early on in the planning stages of the proposed facilities as required under FPA section 216(d). The pre-filing process also will assist the applicant in compiling the information needed to file a complete application, so that all reviews under Federal law can be completed

within one year after the application is filed, or as soon thereafter as is practicable. During the pre-filing process, the Commission will work with the applicant and other permitting entities to coordinate the reviews and compile the information necessary for all required Federal authorizations for the proposed facilities.¹⁹ _

Because of the potential for differences between projects, the Commission does not propose to set exact timeframes for the pre-filing process. The timeframe will depend upon, among other things, the size of the project, stakeholder participation, and the applicant's preparedness. The Commission expects that the pre-filing process for large, multi-state "greenfield" projects, will take longer than the pre-filing process for minor modifications to existing facilities.²⁰ The Commission anticipates that the pre-filing process for extensive projects may take at least a year to complete. Additionally, the environmental resource reports required under § 380.16, will require comprehensive field work and study to compile the information necessary to comply with the Commission's obligations under NEPA.

Without FERC-729 information, the Commission would be unable to fulfill its statutory responsibilities under the FPA, NEPA and the Energy Policy Act of 2005.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

FERC-729 meets OMB's section 1320.5 requirements. [In accordance with 18CFR125.3, "the original or reproduction of engineering records, drawings, and other supporting data for proposed or as-constructed utility facilities: Maps, diagrams, profiles, photographs, field survey notes, plot plan, detail drawings, records of engineering studies, and similar records showing the location of proposed or as-constructed facilities" must be "retained until retired". Those record retention requirements are cleared under FERC-555 (OMB No. 1902-0098) and are not included in FERC-729.]

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 60-day Notice requesting comments on the reporting requirements of FERC-729 was issued in FERC Docket No. IC10-729 on 10/6/2009 (available at

¹⁹ § 50.1(c) defines Federal authorization to include such permits, special use authorizations, certifications, opinions, or other approvals that may be required under Federal law to site a transmission facility, as defined in FPA section 216(h)(B).

²⁰ "Greenfield" facilities are facilities that primarily will be located in new rights-of-way.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12167427>) and published in the **Federal Register** (74FR52796, 10/14/2009). There were several comments filed in response to this notice. See Attachment B for links to the individual comments, available in FERC's eLibrary system.

Public Comments and FERC Responses. A summary of the public comments filed on the FERC-729 reporting requirements, FERC's response, and proposed changes to the requirements follow.

a. Comment: We received several public comments on the Commission's transmission siting policy and process, including FERC's jurisdiction, stakeholder participation, environmental impacts, health and safety issues, and alternatives. We also received comments in regard to the Potomac-Appalachian Transmission Highline (PATH) Project, transmission planning, cost allocation, cyber security, physical and national security, and public access to documents.

FERC Response: The purpose of Docket No. IC10-729 is to seek comment on the generic information collection requirements imposed on applicants for Electric Transmission Facilities. (The request for comments is described more fully in the last paragraph in both the 60-day Notice (at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12167427>) and the 30-day Notice (at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=12250292>.) Docket No. IC10-729 does not address case-specific transmission applications; rather it addresses the information requirements the agency imposes on applicants in general. FERC's transmission siting process is detailed in Parts 50 and 380 of the Commission's regulations, and further information is on our website at <http://www.ferc.gov/for-citizens/citizen-guides/electric/guide-transmission.pdf> . In addition, currently, there are no requests for the Commission to site transmission facilities in Maryland or in any other state, including the PATH Project. (Specific PATH Project information, including the status of applications in Maryland, Virginia, and West Virginia, can be found on the Project's internet website at <http://www.pathtransmission.com> .) Docket No. IC10-729 is not an appropriate venue to address those comments, but the appropriate FERC offices have been made aware of those comments.

b. Comment: Applicants should detail efforts undertaken to contact public and private organizations that actively engage in the protection of historic, cultural, natural, and scenic resources. Responses to these contacts should be included in the pre-filing process.

FERC response: Section 50.5(c)(3)-(5) of the Commission's regulations requires the applicant to provide a list of the permitting entities responsible for conducting separate federal permitting and environmental reviews and authorizations, including how the applicant intends to account for each of the relevant entity's permitting and environmental review schedules and when the applicant proposes to file with these entities. The applicant must also provide a list of all other stakeholders that have been contacted, or have contacted the applicant, about the project and a description of what other work has already been completed, including contacting stakeholders and agency and Indian tribe consultations. FERC also requires communication between applicants and stakeholders to be documented throughout the pre-filing process. Section 50.5(e)(8) requires the applicant to file monthly status reports during the pre-filing process detailing project activities, including stakeholder communications.

c. Comment: Applicants should include an explanation of which mitigation measure was chosen and why others were rejected.

FERC response: FERC staff reviews the applicant's proposed mitigation measures to ensure that they are appropriate and adequate for the corresponding environmental impact. The applicant is required to develop and propose mitigation measures in the resource reports tailored to a specific environmental impact. To the extent that FERC staff determines that a rejected mitigation measure warrants further evaluation, the applicant may be required to provide additional information to support its decision. If necessary, FERC staff can also require additional mitigation to address an impact. The applicant must follow all staff-recommended mitigation measures, included as specific conditions in the Commission's authorization.

d. Comment: Commenters suggest that the applicant should address the range of potential environmental impacts (e.g., air pollution) associated with changes in electric generation levels and sources.

FERC response: Section 380.16(b) of the Commission's regulations requires each of the applicant's resource reports to address conditions or resources that are likely to be directly or indirectly affected by the project, and identify cumulative effects resulting from existing or reasonably foreseeable projects. This would include environmental impacts associated with changes in electric generation levels and sources.

e. Comment: More information is needed from electric utilities. Information collected during meetings with utilities should be shared with public stakeholders.

Without full disclosure to the public, the permit process is not effective, efficient, or timely.

FERC response: As indicated in the Commission's Notice, applicants are required to provide information on certain resource areas (including aquatic life; wildlife; vegetation; cultural resources, socioeconomics, geological resources, soils; land use; recreation; aesthetics; alternatives; buildings; and reliability and safety). This information is posted on FERC's eLibrary system (at <http://www.ferc.gov>) and is available for public review. FERC staff conducts reviews of an applicant's submission to determine compliance with the Commission's regulations. If the information is deemed deficient, Commission staff can seek additional information from an applicant. All information requests, subsequent responses, as well as discussions with the applicant, federal, state, and local agencies and Indian tribes on matters related to the merits of an application are documented and placed on FERC's eLibrary for public access and review.

f. Comment: What is FERC's estimate for the average cost and time required for FERC staff and expert consultants to evaluate the information collected for a single utility application? What is FERC's estimate for the average cost and time for a public stakeholder using industry experts to evaluate the information in a utility's application?

FERC response: The Commission's estimates for the burden and cost imposed on industry address the annual averages for all of the applications FERC expects to receive. The figures are estimated annual averages for industry and include the cost and burden for staff and expert consultants, as well as other needed resources (such as information technology; administrative, legal, and management resources). The estimated average annual industry burden and cost appear below, in Questions 12 and 13. FERC's estimates for the government's average annual cost for FERC-729 include the staff and other resources (such as consultants, administrative, legal, management, and information technology resources) for the review and processing of the filings, and the OMB clearance for the filing requirements. Additional details on the government cost are included in this supporting statement in Question 14.

Under the Paperwork Reduction Act (PRA) and the related guidance from the Office of Management and Budget (OMB), "'burden" means time, effort, or financial resources expended by persons to generate, maintain, or provide information to or for a Federal agency" [44 U. S. C. 3502(2)]. The burden and cost estimates include the time and effort required to plan, develop, prepare, and fulfill an information collection, and to respond to the agency's requirement. The PRA does not require burden estimates for the

cost and time for a public stakeholder to evaluate a particular utility's application to the agency.

- g. Comment: FERC must require utilities to provide reasonable alternatives instead of allowing utilities to submit a single monolithic proposal.

FERC response: FERC requires utilities to provide and analyze reasonable alternatives at multiple points in the pre-filing process. Section 50.5(e)(5) of the Commission's regulations requires the applicant to file a summary of the project alternatives considered or under consideration within 30 days of initiating the pre-filing process. Section 380.16(k) requires the applicant to submit an entire resource report dedicated to alternatives and the associated environmental impacts. This resource report would describe a variety of alternatives, including, where appropriate, alternatives other than new transmission lines.

- h. Comment: Utilities currently lack commitment to work with public stakeholders, do not maintain open communication with public stakeholders or respond to public stakeholder questions, do not plan for public stakeholder input, do not adequately explain mitigation, benefits, and alternatives. The proper preparation and stakeholder involvement in the pre-filing process can make the entire process easier, quicker, and ultimately less expensive.

FERC response: The Commission's regulations require an applicant to develop and implement a Project Participation Plan to ensure stakeholders have access to accurate and timely information on the proposed project and to provide a forum for resolving issues. This plan identifies specific tools and actions to facilitate stakeholder communications, including a single point of contact within the company and a description and schedule explaining how the applicant intends to respond to requests for information from the public as well as federal, state, and tribal permitting agencies. Public stakeholders also have the opportunity to interact directly with an applicant at open houses.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to respondents.

10 and 11. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS and PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE THAT ARE CONSIDERED PRIVATE.

The Commission does not consider the data or pre-filing process to be confidential. However, the Commission encourages prospective applicants to

submit preliminary corridor or route information maps which may contain Critical Energy Infrastructure Information (CEII). CEII, as defined in section 388.113 of the Commission’s regulations, includes information about proposed or existing transmission facilities that could be used by a person planning an attack on critical energy infrastructure. The Commission’s procedures in section 388.112 are designed to ensure that CEII is not placed in the Commission’s public records. If any stakeholder requests access to information that contains CEII, the stakeholder must request that information from the Commission under the procedures in § 388.113 of the Commission’s regulations. [Additional information on requesting access to CEII is available at <http://www.ferc.gov/legal/ceii-foia/ceii.asp>.]

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The estimated average public reporting burden and cost for FERC-729 follow.

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)
FERC-729	10	1	9,600	96,000

[Note: These figures may not be exact, due to rounding.]

It should be noted that the estimate above of 10 respondents annually is just a ‘placeholder’. FERC does not currently have any applications pending or any proposed projects in the pre-filing process.

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The total estimated annual cost burden²¹ to respondents is \$7,680,000 (96,000 hours X \$80 per hourError: Reference source not found). It should be noted that the estimate of \$7,680,000 annually is just a ‘placeholder’ (based on the estimate provided in No. 12 above of 10 respondents annually). FERC does not currently have any applications pending or any proposed projects in the pre-filing process.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

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.

²¹ Based on the Bureau of Labor Statistics “Occupational Outlook Handbook (OOH), 2008-09 Edition,” Occupational Employment Statistics (Occupational Employment and Wages, for May 2008, for Lawyers (23-1011), posted at <http://www.bls.gov/oes/current/oes231011.htm>), FERC is using \$80 per hour. Other professions (such as engineers and administrators) are involved in preparing the filing. We are using \$80 per hour as a high-end figure to include all of the professions involved with preparation of the filing.

Direct costs include all costs directly attributable to providing this information, such as administrative costs and the cost for information technology. Indirect or overhead costs are costs incurred by an organization in support of its mission. These costs apply to activities which benefit the whole organization rather than any one particular function or activity. Based on the staff and resources involved in processing the information, the estimated average annual cost to FERC follows.

FERC-729 Estimates	No. of Employees (FTEs)	Estimated Annual Cost Per FTE (\$)	Estimated Annual Cost (\$)
FERC Processing Costs	6	\$137,874	\$827,244
Average Annual Forms Clearance Review			\$1,528
Total FERC Annual Cost			\$828,772

[The estimates of 6 FTEs and the related cost are ‘placeholders’ and are subject to change, depending on the number of applications received. FERC does not currently have any applications pending or any proposed projects in the pre-filing process.](#)

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

There will be no change to the previous estimates that are and continue to be ‘placeholders’. FERC does not currently have any applications pending or any proposed projects in the pre-filing process.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no tabulations, statistical analysis or publication plans for the information collection. The data are used for regulatory purposes.

17. DISPLAY OF THE EXPIRATION DATE

It is not appropriate to display the expiration date for OMB approval of the information collected. Currently, the information on the application filings is not collected on a standard, preprinted form which would avail itself to this display. Rather, applicants prepare and submit documents that reflect the unique or specific circumstances related to the proposed project for electric transmission facilities. These documents include descriptions, maps, exhibits that include articles of incorporation, by laws, State authorizations, engineering data. The information contains a mixture of narrative descriptions and empirical support that varies depending on the nature of the project to be constructed.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The data collected for this reporting requirement are not used for statistical purposes. Therefore, the Commission does not use, as stated in item no. 19(i), "effective and efficient statistical survey methodology." The information collected is case specific.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This is not a collection of information employing statistical methods.