

SUPPORTING STATEMENT
Report of International Electrical
Export/Import Data
OMB Control Number: 1901-0296

Form OE-781R

Request is made for an extension of the Office of Management and Budget approval for OE-781R, "Report of International Electrical Export/Import Data." (OMB Control Number 1901-0296)

Data collected on the OE-781R does not employ statistical methods. The survey universe under Title 10 of the Code of Federal Regulations, Section 205.308 includes all public utilities or other entities subject to DOE jurisdiction under Part II of the Federal Power Act engaged in the export of electric energy. The survey universe under Title 10 of the Code of Federal Regulations, Section 205.325 includes all Public utilities or other entities engaged in the transmission of electric energy across the international borders of the United States and Canada and Mexico who hold a Presidential permit.

The information collection proposed in this supporting statement has been reviewed in light of applicable information quality guidelines. It has been determined that the information will be collected, maintained, and used in a manner consistent with the OMB and DOE information quality guidelines.

A. Justification

1. Need

- a. The amount of electricity being imported into the United States, particularly from Canada, has fluctuated substantially over the past years. DOE needs information to determine whether to approve applications to import/export electricity, as well as import/export data to continue to track the trend, furnish decision makers with accurate information on which to base trade policy to verify that the holders of Presidential Permits and electricity export authorizations have complied with the terms and conditions of the permits and export authorizations, and to determine whether or not it is in the public interest to grant the permit and export request.
- b. The authority for the data collected as part of these regulations is as follows: Section 13(b) of the Federal Energy Administration Act of 1974 (FEA Act), P.L. 93-275, (15 U.S.C. § 772(B)) states:

All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the [Secretary] such information and periodic reports, records, documents and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time, and methodology of development, as the [Secretary] may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under this Act.

The functions of the FEA Act are, in turn, described in Section 5(b) of the FEA Act, (15 U.S.C. § 764(b)) which states that to the extent authorized by Section 5(a), thereof, the (Secretary) shall

“(2) assess the adequacy of energy resources to meet the demands in the immediate and long range future for all sectors of the economy and for the general public;...

(8) develop and recommend policies on the import and export of energy resources;

(9) collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data;...”

As the authority for invoking Section 5(b) above, Section 5(a) (15 U.S.C. §764(a)) in turn, states

“Subject to the provisions and procedures set forth in this Act, the [Secretary] shall be responsible for such sections as are taken to assure that adequate provision is made to meet the energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions...

(3) otherwise specifically vested in the [Secretary] by the Congress.

The authority vested in the Federal Power Commission to grant or deny Presidential permits for the construction, operation, maintenance, and connection of facilities at the U.S. international border for the transmission of electric energy was transferred to the Secretary of Energy pursuant to Executive Order 12038.

The authority vested in the Federal Power Commission by the Federal Power Act was transferred to the Secretary of Energy pursuant to Section 301(b) and 402(f) of the DOE Organization Act. Therefore, the authority for invoking Section 5(a)(3) of the FEA Act is provided by the following Section of the Federal Power Act,

“Section 202(e). After six months from the date on which this Part takes effect, no person shall transmit any electric energy from the United States to a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application unless, after opportunity for hearing, it finds that the proposed transmission would impair the sufficiency of electric supply within the United States or would impede or tend to impede the coordination in the public interest of facilities subject of the jurisdiction of the Commission. The Commission may by its order grant such application in whole or in part, with such modifications and upon such terms and conditions as the Commission may find necessary or appropriate, and may from time to time, after opportunity for hearing and for good cause shown, make such supplemental orders in the premise as it may find necessary or appropriate.” (49 Stat. 849; 16 U.S.C. § 824a(e))

Application for Authorization to Transmit Electric Energy to a Foreign Country is provided in the DOE regulations 10 Code of Federal Regulations 205.300-309.

Also vested in DOE, pursuant to the DOE Act is authority under Section 311 of the Federal Power Act to collect information concerning electric facilities,

“Section 311. In order to secure information necessary or appropriate as a basis for recommending legislation, [DOE] is authorized and directed to conduct investigations regarding the generation, transmission, distribution, and sale of electric energy, however produced, throughout the United States and its possessions, whether or not otherwise subject to the jurisdiction of [DOE], including the generation, transmission, distribution, and sale of electric energy by any agency, authority, or instrumentality of the United States, or of any State or municipality or other political subdivision of a State. It shall, so far as practicable, secure and keep current information regarding the ownership, operation, management, and control of all facilities for such generation, transmission, and distribution, and sale; the capacity and output thereof and the relationship between the two; the cost of generation, transmission, and distribution; the rates, charges, and service to residential, rural, commercial, and industrial consumers and other purchasers by private and public agencies; and the relation of any or all such facts to the development of navigation, industry, commerce, and the national defense. The [DOE] shall report to Congress the results of investigations made under authority of this section.” (49 Stat. 859; 16 U.S.C. § 825j)

2. Use of Data

The Office of Electricity Delivery and Energy Reliability (OE) will review applications to determine what permits should be approved to import/export electricity and monitor the levels of electricity imports and exports and issue summary tabulations in a staff Annual Report. OE will also provide monthly tabulations of these data for use in the Energy Information Administration's Monthly Energy Review and Annual Energy Review. This information will be kept in the public docket files and will be available for public inspection and copying. The import/export data are used by OE to verify that the holders of the authorizations/permits are complying with the terms and conditions of their authorizations/permits. OE also uses the data to make sure the exports of electric energy do not impair the sufficiency of electric power supply within the U.S. or impede the coordinated use of the U.S. power supply network. OE will grant the authorization to export electric energy if it is determined that:

- (1) Sufficient generating resources exist such that the exporter could sustain the export while still maintaining adequate generating resources to meet all firm supply obligations; and
- (2) The export would not cause operating parameters on regional transmission systems to fall outside of established industry criteria.

3. Technological Considerations

Respondents may submit their data by mail, electronically by email, FAX or submit data by diskette.

4. Efforts to Identify Duplication and Analysis of Similar, Existing Information

A check of EIA's Data Resources Directory revealed no unnecessary duplication. This survey requires precise, personalized responses. Similar data are not known to exist elsewhere.

5. Provisions for Reducing Burden on Small Businesses

There are no small businesses involved in the collection of this data.

6. Consequence of Less Frequent Reporting

Less frequent reporting would not serve OE's purpose. The state of the electric power industry is changing rapidly and it is important for OE to keep informed of these changes through quarterly data submissions. The unstructured nature of many of the export transactions require regular monitoring of these transactions.

7. Compliance with 5 CFR 1320.5

The data are being collected consistent with the guidelines in 5 CFR 1320.5.

8. Summary of Consultations Outside the Agency

A Federal Register notice (71 FR 46466 dated August 14, 2006) solicited comments on the proposed extension of the data requirements of Presidential permit holders and export authorizations. No comments were received. A Federal Register notice (71 FR 76308 dated December 20, 2006) was published announcing the submission of this information collection request to the Office of Management and Budget.

9. Remuneration

There are no plans to provide any payment or gifts to respondents.

10. Provisions of Confidentiality of Information

The information to be collected under these regulations is not considered to be confidential and, therefore, will not be treated as such.

11. Justification for Sensitive Questions

There are no questions of a sensitive nature.

12. Estimate of Respondent Burden

These regulations represent an application, a quarterly (export authorizations) and annual (Presidential Permits) reporting requirement. Each of the entities monitors the flow of electric energy across the international interconnections as well as the export transaction for billing purposes. However, because this data is necessarily

collected and maintained by the reporting entities, it is estimated that the compilation of this data and its submission should not exceed 705 hours. Annual Reporting – Application is estimated to be 105 hours (35 respondents x 1 report x 3 hours), Annual Reporting - Presidential Permits is estimated to be 400 hours (40 respondents x 1 report x 10 hours; Quarterly reporting - export authorizations = 200 hours (25 respondents x 4 reports annually x 2 hours per response) (105 + 400 + 200 = 705 hours).

Cost to the Respondents is estimated to be: \$41,595
(705 hrs. x \$59).

An average cost per hour of \$59 is used because that is the average loaded (salary plus benefits) cost for an EIA employee. DOE assumes that the survey respondent workforce completing form OE-781R is comparable with the EIA workforce.

13. Total Annual Cost Burden to Respondents or Recordkeepers

There are no additional (a) capital and start-up costs or (b) operation and maintenance and purchase of services components associated with this data collection.

14. Annualized Cost to the Federal Government

The total annual cost to the Federal Government for development and maintenance, collection, processing, analysis, and publication totals \$80,000.

15. Summary of Changes in Burden

There is an increase of 105 burden hours due to agency discretion -- accounting for the burden of the application as per the 10 CFR 205 (DOE Regulation).

16. Publication Schedule

The schedule for collecting information and issuing the Staff Summary Report on the information collected is as follows:

<u>Form</u>	<u>Due</u>
Application	As needed
Quarterly data submitted by Export authorization holders	30 days after end of quarter
Presidential Permit holders (Annually)	- Due Feb. 15 th annually
Follow-up on any delinquent data	End of Feb. (yearly)
Organizing of the data by Regional Reliability Council and country to which exported or from which imported. Totaling of the submitted data and rough draft of Staff Summary Report for management review.	Mid-to end of March (yearly)
Staff Summary Report issued	Mid-to end of May (yearly)

17. Control Numbers

The OMB control number will be displayed on the form.

18. Exceptions to the Certification Statement

There are no exceptions to the certification identified in Item 19, A Certification for Paperwork Reduction Act Submission, of OMB Form 83-I.