

Supporting Statement for
FERC-600, Rules of Practice and Procedures: Complaint Procedures

The Federal Energy Regulatory Commission (Commission) requests Office of Management and Budget (OMB) review and approval of an existing information collection requirement, FERC-600, **Rules of Practice and Procedures: Complaint Procedures** (OMB Control No. 1902-0180). The Commission is specifically requesting that OMB approve the proposed data collection under FERC-600 for an additional three years.

Background

The natural gas and electric industries are now operating in an environment which is increasingly driven by competitive market forces. Because of the short-term transactional nature of the electric and gas markets, and the fact that competitive changes happen quickly, timely and effective resolution of complaints is crucial. If the Commission is to use lighter-handed forms of regulation, to maintain balance and equity it must have an organized and fair complaint process to ensure that complainants will receive adequate protection and redress under the statutes administered and enforced by the Commission. An effective complaint process enables the Commission to monitor activities in the marketplace and provides an early warning system for identifying potential problems.

The Commission's regulations encourage and support the resolution of disputes by the parties themselves prior to the filing of a formal complaint with the Commission. If the potential complaint can be resolved or the number of issues in a potential complaint can be reduced informally, the Commission is then able to focus on the significant remaining issues raised in the formal complaints ultimately filed with the Commission.

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The information collected under the requirements of FERC-600 is used by the Commission to implement the statutory provisions of the Federal Power Act (FPA), 16 U.S.C. 791a-825r; the Natural Gas Act(NGA), 15 U.S.C. 717-717w; the Natural Gas Policy Act (NGPA), 15 U.S.C. 3301-3432, the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 2601-2645; the Interstate Commerce Act, 49 U.S.C. App. § 1 *et. seq.*, the Outer Continental Shelf Lands Act, 43 U.S.C. 1301-1356 and the Energy Policy Act of 2005, (P.L.109-58) 119 Stat. 594.

With respect to the natural gas industry, section 14(a) of the NGA provides: The Commission may permit any person to file with it a statement in writing, under oath or otherwise, as it shall determine, as to any or all facts and circumstances concerning a matter which may be the subject of an investigation.

For public utilities, section 205(e) of the FPA provides: Whenever any such new schedule is filed, the Commission shall have the authority, either upon complaint or upon its own initiative without complaint at once, and, if it so orders, without answer or formal pleading by the public utility, but upon reasonable notice to enter upon hearing concerning the lawfulness of such rate, charge, classification, or service; and pending such hearing and decision of the Commission. * * *

Section 215(d) (5) of the FPA provides: The Commission, upon its own motion or upon complaint, may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or a modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section. * * *

Concerning hydropower projects, section 19 of the FPA provides: * * * it is agreed as a condition of such license that jurisdiction is hereby conferred upon the Commission, upon complaint of any person aggrieved or upon its own initiative, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control. * * *

For qualifying facilities, section 210(h)(2)(B) of PURPA provides: Any electric utility, qualifying cogenerator, or qualifying small power producer may petition the Commission to enforce the requirements of subsection (f) as provided in subparagraph (A) of this paragraph.

Likewise for oil pipelines, Part 1 of the Interstate Commerce Act (ICA), sections 1, 6 and 15 (recodified by P.L. 95-473 and found as an appendix to Title 49 U.S.C.) the Commission is authorized to investigate the rates charged by oil pipeline companies subject to its jurisdiction. If a proposed oil rate has been filed and allowed by the Commission to go into effect without suspension and hearing, the Commission can investigate the effective rate on its own motion or by complaint filed with the Commission. Section 13 of the ICA provided that: Any person, firm, corporation, company or association, or any mercantile, agricultural, or manufacturing society or other organization, or any common carrier subject to the provisions of this chapter in contravention of the provisions thereof, may apply to the Commission by petition which shall briefly state the facts: whereupon a statement of the complaint thus made shall be forwarded by the Commission to such common carrier, who shall be called upon to satisfy the complaint, or to answer the same in writing, with in a reasonable time, to be specified by the Commission. * * *

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

The data in complaints filed by interested/affected parties regarding oil pipeline, electric, hydroelectric, and natural gas pipeline operations, applications for rate changes, service, and/or facilities and/or licensing is used by the Commission in establishing a basis for various investigations and to make an initial determination regarding the merits of the complaint.

Investigations may range from whether there is undue discrimination in rates or service to questions regarding the market power of regulated natural gas companies and environmental concerns. In other words, it is important to know the specifics of any oil, electric, hydroelectric, or gas complaint "up front" in a timely manner and in sufficient detail to allow the Commission to act swiftly. In addition, such complaint data helps the Commission and the public to monitor the market for exercises of monopoly power or undue discrimination. If the information, as proposed herein, were not required, the Commission would be unable to efficiently evaluate and react to a variety of public/industry concerns under Commission jurisdiction.

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

The reporting requirements for persons filing complaints were created to reflect the Commission's commitment to using information technology to both reduce the burden on reporting entities and to increase the usefulness of the data reported. The Commission's eFiling system allows for complainants to submit their complaints electronically.

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

Commission filings and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of the Commission's regulations and data requirements to identify any duplication. To date, no duplication of the proposed data requirements has been found. The Commission staff is continuously reviewing its various filings in an effort to alleviate duplication. There are no similar sources of information available that can be used or modified for use for the purpose described in Item 1.

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

Large businesses -- as well as some small businesses and individuals -- are impacted under the FERC-600 reporting/data requirements. These filing requirements pertain to all complaint filings as indicated in Item 1. The Commission's regulations impact the day-to-day operations of shippers, the general public, major and non-major oil and natural gas pipelines, electric and hydroelectric companies. Specific efforts have been made by the Commission to minimize the burden imposed on the general public, shippers, and jurisdictional companies. These data requirements were designed to further the goals of promoting early resolution of contested matters and complaints by focusing on consensual decision making, administrative dispute resolution and expeditious decision making. In addition, the Commission instituted procedures for resolving complaints involving small claims where the amount in controversy is less than

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\$100,000 and the impact to other parties is minimal to reduce where possible the burden imposed on small businesses.

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

The Commission receives complaint information under FERC-600 on an ongoing basis. The Commission has not prescribed the frequency for filing complaints. They are received as events occur and at times where disputes cannot be resolved among the parties. These filings are made to the Commission to resolve these differences.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The complaint procedure meets all of OMB's section 1320.5 requirements.

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-600 was issued in FERC Docket No. IC11-600 on May 9, 2011 (<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=12656523>) and published in the Federal Register (76 FR 28,014). There were no comments filed in response to this notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to respondents/complainants in the proposed information collection.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission generally does not consider the data filed in complaint filings to be confidential. A complainant may request privileged treatment of document and information contained in a complaint to the extent permitted by law and pursuant to 18 C.F.R. Section 388.112 of the Commission's regulations.

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

There are no questions of a sensitive nature associated with this data collection.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The annual reporting burden estimate of 88 hours (an average of 14.0 hours per complaint filing) for information requirements/collections under FERC-600, as proposed in this request for renewal, is based on the Commission's experience with complaint filings. A detailed summary of FERC-600 burden estimates for operation is shown below:

DATA COLLECTION (FERC-600)	Current OMB Inventory	New OMB Inventory
Estimated number of respondents	81	88
Estimated number of responses per respondent	1	1
Estimated number of responses per year	81	88
Estimated number of hours per response	14	14
Total estimated burden (hours per year)	1,134	1,232
Program change in industry burden hours	-	0
Adjustment change in industry burden hours	-	+98

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The estimated annualized ongoing operation and maintenance (filing/information collection) costs to respondents are as follows:

Total Annual Burden Hours for Respondents (1)	Person Hours per Year (2)	Estimated Annual Cost per Person (3)	Total Annual Cost to Respondents [(1)/(2)]x(3)
1,232	2,080	\$142,372	\$84,328

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

FERC-600	No. of FTEs	Estimated Annualized Cost
Analysis of Filings	3	427,116 ¹

Data Clearance Processing		\$1,575
Total		\$428,691

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

There are no program changes to FERC-600. There is an adjustment to the reporting burden of 98 hours due to a small increase in the average number of annual filers. The average number of annual filers is based on actual filings received from 2008 to 2011.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no data published in conjunction with collection.

17. DISPLAY OF EXPIRATION DATE

Not applicable. The reporting requirements under FERC-600 are based on regulations and electronic filing requirements and are not filed on formatted/printed forms. Thus, the data requirements do not have an appropriate format to display an OMB expiration date.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

For exceptions to the Certification Statement, see item no. 17 above and item no. B below.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This is not a collection of information employing statistical methods.

¹ Based on a fully loaded annual cost per FTE of \$142,372.