

FERC-585 (OMB Control No. 1902-0138)

Supporting Statement for
**FERC-585, Reporting of Electric Shortages and
Contingency Plans Under PURPA 206**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC-585 Reporting of Electric Shortages and Contingency Plans Under PURPA 206**, for a three year period. FERC-585 (OMB Control No. 1902-0138) is an existing Commission data collection (filing requirements), as stated by 18 Code of Federal Regulations (CFR), Part 294.

The Commission estimates the annual reporting burden for FERC-585 will be 73.25 total hours (an average of 73.25 hour per respondent).

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The Commission issues uses the information collected within the FERC-585 to implement the statutory provisions of Section 206 of the Public Utility Regulatory Policies Act of 1979 (PURPA)¹. Section 206 of PURPA amended the Federal Power Act (FPA) by adding a subsection to Section 202 under which the Commission (by rule) requires each public utility to (1) report to the Commission and appropriate state regulatory authorities of any anticipated shortages of electric energy or capacity which would affect the utility's capability to serve its wholesale customers; and (2) report to the Commission and any appropriate state regulatory authority with contingency plan that would outline what circumstances might give rise to such occurrences.

In Order No. 575², the Commission modified the reporting requirements in 18 CFR 294.101(b)(5) to provide in its rates and schedules to firm power wholesale customers that: (a) during electric energy and capacity shortages it will treat firm power wholesale customers without undue discrimination or preference, prejudice, or disadvantage firm power wholesale customers and (b) it will report any modifications to its contingency plan for accommodating shortages within 15 days to the appropriate state regulatory agency and to the affected wholesale customers. The utility then needs not file with the Commission an additional statement of contingency plan for accommodating such shortages since this revision merely changed the reporting mechanism. The public

¹ Pub. L. 95-617, 92 Stat. 3117

² Here is a link to [Order No. 575](#)

utility's contingency plan would be contained within its filed rate rather than in a separate document.

The Commission modified the reporting requirements³ in 18 CFR 294.101(f) to set forth the means by which public utilities must comply with the requirements to report shortages and anticipated shortages. The original requirement mandated filing an original and at least two copies to the Commission as well as one copy to relevant state regulators and firm power wholesale customers. The revised requirement is to promptly submit a single electronic report to the Commission via the Office of Electric Reliability's emergency mailbox at emergency@ferc.gov[Error: Reference source not found.](#)

The Commission defines *anticipated shortages of electric or energy* as:

“(1) Any situation anticipated to occur in which the generating and bulk purchased power capability of a public utility will not be sufficient to meet its anticipated demand plus appropriate reserve margins and this shortage would affect the utility's capability adequately to supply electric services to its firm power wholesale customers; or

(2) Any situation anticipated to occur in which the energy supply capability of a public utility is not sufficient to meet its customers' energy requirements and this shortage would affect the utility's capability adequately to supply electric services to its firm power wholesale customers.”

18 CFR 294 establishes the reporting requirements for public utilities. A report filed in compliance with Part 294 must include the nature and projected duration of the anticipated shortage, a list of firm wholesale customers likely to be affected by the shortage, procedures for accommodating the shortage, and a contact person at the public utility⁴.

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

The Commission uses the information collected by FERC-585 to evaluate and formulate an appropriate option for action in the event of an unanticipated electrical shortage. Without this information, the Commission and state agencies would be unable to: (1) examine and approve or modify utility actions, (2) prepare a response to anticipated shortages in electric energy, and (3) ensure equitable treatment of all public utility customers under the shortage situations.

³ [Order 659](#)

⁴ 18 CFR 294.101(a)

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

The Commission allows the option of filing all documents in proceedings through the eFiling interface except for specified exceptions, and of utilizing online forms to allow “documentless” interventions in all filings.

With the advent of eFiling 7.0, the Commission has expanded its ability to receive electronic filings through its eFiling and eLibrary systems and now includes these self-certification filings. Submission guidelines can be found here: <http://www.ferc.gov/docs-filing/efiling/filing.pdf>

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSES DESCRIBED IN INSTRUCTION NO. 2

The Commission published a notice within the Federal Register⁵ to help identify any duplication of the information in FERC-585. No comments were received. There are no other Federal agencies responsible for evaluating and formulating an appropriate option for action in the event of an unanticipated electrical shortage. No similar information can be used or modified.

5. METHOD USED TO MINIMIZE BURDEN IN COLLECTIONS OF INFORMATION INVOLVING SMALL ENTITIES

The Commission permits the option of filing all documents in proceedings through the eFiling interface as a means of reducing burden for respondents including small entities.

The burden will vary among applicants, since the information should be specific for each applicant and site.

6. CONSEQUENCE TO FEDERAL PROGRAM IF INFORMATION WERE COLLECTED LESS FREQUENTLY

⁵ 77 FR 11519 (2/27/2012)

FERC-585 (OMB Control No. 1902-0138)

If the Commission did not collect this information, it would not fulfill its responsibilities specified within the statutory provisions of 16 USC 791a-825r.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO INFORMATION COLLECTION

The requirements meet all of OMB's section 1320.5 requirements.

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

In accordance with OMB requirements⁶, the Commission published a 60-day notice⁷ and a 30-day notice⁸ to the public regarding this information collection on 2/27/2012 and 5/16/2012 respectively. Within the public notices, the Commission noted that it would be requesting a three-year extension of the public reporting burden with no change to the existing requirements concerning the collection of data. No comments were received.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to FERC-585 respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission does not consider the information collected in FERC-585 filings to be confidential. However, the Commission will consider specific requests for confidential treatment to the extent permitted by law⁹. The Commission will review each request for confidential treatment on a case-by-case basis.

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 in the FERC-585.

⁶ 5 CFR 1320.8(d)

⁷ 77 FR 11519

⁸ 77 FR 28861

⁹ 18 CFR 388.112(a)(1)

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the Public Reporting Burden for this information collection as:

FERC-585: Reporting of Electric Shortages and Contingency Plans Under PURPA 206					
	Number of Respondents (A)	Number of Responses Per Respondent (B)	Total Number of Responses (A)x(B)=(C)	Average Burden Hours per Response (D)	Estimated Total Annual Burden (C)x(D)
Contingency Plan	1	1	1	73	73
Capacity Shortage	1	1	1	0.25	0.25
Total	N/A	N/A	N/A	N/A	73.25

The Commission outlines the differences between the total requested annual time burden and the previously approved annual time burden below:

FERC-585	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	1	1	0	0
Annual Time Burden (Hr)	73	73	0	0
Annual Cost Burden (\$)	0	4,518	-4,518	0

The format, labels, and definitions of the table above follow the ROCIS system’s “ICR Summary of Burden” for the meta-data.

The Commission is removing the annual cost burden figure that appears in ROCIS because it is associated with labor hours. The Commission only reports in ROCIS costs not associated with labor hours.

13. ESTIMATE OF TOTAL ANNUAL COSTS (BURDEN TO RESPONDENTS)

FERC-585 (OMB Control No. 1902-0138)

FERC-585	Annual Burden Hours (1)	Estimated Hourly Cost (\$) (2)	Estimated Total Annual Cost to Respondents (\$) (1) X (2)
	73.25	\$69.01 ¹⁰	\$5,054.98

The total estimated annual cost to respondents is \$69.01. The Commission bases the total estimated annual cost upon the annual burden hours (73.25) and estimated hourly cost (\$69.01). FERC based the figure of \$69.01 upon the 2012 average FERC employee salary (\$143,540). FERC use \$143,540 to represent the cost to respondents because for certain collections FERC assumes that the typical respondent burden in the industry resembles FERC’s costs of performing the same function (if the Commission were similarly tasked). Since FERC has ready access to FERC salary costs per year, FERC uses the average employee salary to provide an estimated annual cost figure. The cost per respondent is \$69.01. There are no start-up costs because FERC-585 is an existing information collection.

The respondent burden includes the total time, effort, and financial resources respondents spend to assemble and file the information. The cost estimate is based on salaries (plus benefits) for professional and support staff.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

	Number of Employees (FTEs)	Estimated Annual Federal Cost
Analysis and Processing of filings ¹¹	0.5	\$71,770
Data Clearance Cost	N/A ¹²	\$1,588 ¹³
FERC Total	N/AError: Reference source not found	\$73,358

The Commission bases its estimate of the “Analysis and Processing of filings” cost to the Federal Government on salaries and benefits for professional and clerical support. This estimated cost represents staff analysis, decision making, and review of any actual filings made in response to the information collection.

10 \$143,540 (2012 FTE average annual salary plus benefits)/2080 hours/year = \$69.01 per hour

11 Based upon 2012 FTE average salary (\$143,540)

12 Not applicable

13 The Commission bases the cost of data clearance on an average of 24 hours per clearance per year. The data clearance cost represents the activities and efforts of FERC staff to comply with the Paperwork Reduction Act of 1995.

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

The requirements within the FERC-585 did not change from the previously approved information collection. Moreover, the estimated total annual burden for the FERC-585 information collection did not change. The only change noted with regard to the estimated burden is the estimated total annual cost to respondents. This figure increased solely due to the increased estimate of FERC employee average annual salary (plus benefits) and the equivalent in the private sector.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no tabulating, statistical or tabulating analysis or publication plans for the collection of information. As noted above, copies of the filing are published in the Federal Register. The data are used for regulatory purposes only.

17. DISPLAY OF AN EXPIRATION DATE

It is not appropriate to display the expiration date for OMB approval of the information collection pursuant to 18 CFR 294. The information is not collected on a standard form which would avail itself to this display. Instead, public utilities prepare and submit filings that reflect the unique or specific circumstances related to the anticipated or actual shortage of electric energy or capacity.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The Commission does not use the data collected for this reporting requirement for statistical purposes.