

SUPPORTING STATEMENT FOR
FERC-717 (Standards for Business Practices and Communication
Protocols for Public Utilities), and
FERC-516 (Electric Rate Schedule and Tariff Filings)

Notice of Proposed Rulemaking (issued April 19, 2012) in Docket No. RM05-05-020

The Federal Energy Regulatory Commission (Commission or FERC) requests the Office of Management and Budget (OMB) to review and extend its approval of FERC-717 (Standards for Business Practices and Communication Protocols for Public Utilities) and FERC-516 (Electric Rate Schedule and Tariff Filings). Both are existing information collections, regarding revisions to requirements contained in 18 CFR Parts 35 and 38 of the Commission's regulations.

In the Notice of Proposed Rulemaking (NOPR) in Docket RM05-5-020, FERC proposes amending its regulations at 18 CFR 38.2 to incorporate by reference business practice standards adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB). FERC proposes to approve phase II Demand Response Measurement and Verification (M&V) Standards and the Wholesale Energy Efficiency Measurement and Verification Standards.

FERC-516 and FERC-717

These information collections are impacted by the proposed rule and addressed in this consolidated supporting statement. If the Commission adopts the provisions of the proposed rule the applicable entities will be required to file a tariff revision to incorporate the new standards into their procedures. Tariff revisions are contained under the FERC-516.¹ The FERC-717 information collection encompasses the business practices proposed in the rulemaking. Generally, there are two information collection requirements contained in the standards:

- Respondents must use certain criteria to measure the performance of demand response resources
- Respondents must develop an M&V plan that lays out specific methods for verifying the amount of energy efficiency a resource provides.

¹ The ROCIS submittal for the FERC-516 was not being submitted concurrently with the FERC-717 due to a pending FERC-516 package recently decided on by OMB. The ICR No. for the FERC-717 is 201204-1902-004.

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

Background on NAESB and the Business Practice Standards in this proceeding

In 1996, the Commission adopted certain standards/information requirements for its Open Access Same-Time Information Systems (OASIS) to be maintained by Public Utilities.² More specifically, the Commission added Part 37 of Title 18, Code of Federal regulations (CFR). The Standards of Conduct were designed to prevent employees of a public utility (or any of its affiliates) engaged in marketing functions from preferential access to OASIS-related information or from engaging in unduly discriminatory business practices. The regulations require companies to separate their transmission operations/reliability functions from their marketing/merchant functions and prevent system operators from providing merchant employees and employees of affiliates with transmission-related information not available to all customers at the same time through public posting on the OASIS.

When the Commission developed its OASIS program (Regulations, Standards and Communication Protocols, Data Dictionary, and Business Practice Standards), it relied heavily on the assistance provided by all segments of the wholesale electric power industry and its customers in the ad hoc working groups that came together and offered consensus proposals for FERC's consideration. This process was very successful; however, it became apparent to FERC that issues remained that would be better addressed by an ongoing industry group rather than by continued reliance on an ad hoc approach. The industry group would be dedicated to drafting consensus industry standards to implement the FERC's OASIS-related policies, and policies for other industry business practices, that would benefit from the implementation of generic industry standards.

On December 19, 2001, the Commission issued an order³ asking the wholesale electric power industry to develop business practice standards and communication protocols by establishing a single consensus, industry-wide standards organization for the wholesale electric industry, to complement the market design principles the Commission was developing.

In response to FERC's request, NAESB and the North American Electric Reliability Council (NERC)⁴ filed a joint letter (on December 16, 2002) explaining that both organizations had signed a memorandum of understanding "designed to ensure that the development of wholesale electric business practices and reliability standards are

2 Final Rule issued April 24, 1996, in Docket No. RM95-9-000. See text of rule at <http://www.ferc.gov/legal/maj-ord-reg/land-docs/order889.asp>

3 See *Electricity Market Design and Structure*, 97 FERC ¶ 61,289 (2001) (December 2001 Order), 99 FERC ¶ 61,171 (May 2002 Order), *reh'g denied*, 101 FERC ¶ 61,297 (2002) (December 2002 Order).

4 NERC is now the North American Electric Reliability *Corporation*.

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

harmonized and that every practicable effort is made to eliminate overlap and duplication of efforts between the two organizations.”⁵

On January 18, 2005, NAESB filed a report with FERC detailing the WEQ’s activities over the past two years since the group’s inception. This filing represented NAESB’s first filing with FERC to report on wholesale electric business practices. NAESB reported that the WEQ adopted business practices standards and communication protocols for the wholesale electric industry. These standards included the following OASIS-related business practice standards and communications protocols: (1) OASIS Business Practice Standards; (2) OASIS Standards and Communication Protocols; and (3) an OASIS Data Dictionary.⁶

These standards established a set of business practice standards and communication protocols for the electric industry to enable industry members to achieve efficiencies by streamlining utility business and transactional processes and communication procedures. The standards replaced, with modifications, the Commission’s existing Business Practice Standards for Open Access Same-Time Information Systems (OASIS) Transactions and OASIS Standards and Communication Protocols and Data Dictionary requirements. Adopting these standards established a formal ongoing process for reviewing and upgrading the Commission’s OASIS standards as well as adopting other electric industry business practice standards.

NAESB is a private consensus standards developer that divides its activities among four quadrants, each of which is composed of members from all segments of its respective industry.⁷ NAESB is an accredited standards organization under the auspices of the American National Standards Institute (ANSI). NAESB’s procedures are designed to ensure that all industry members can have input into the development of a standard, whether or not they are members of NAESB, and each wholesale electricity standard that NAESB’s WEQ adopts is supported by a consensus of the seven industry segments: end users, distribution/load serving entities, transmission, generation, marketers/brokers, independent grid operators/planners and technology/services. Under the WEQ process, for a standard to be approved, it must receive a super-majority vote of 67 percent of the members of the WEQ’s Executive Committee, with support from at least 40 percent of each of the seven industry segments.⁸ For final approval, 67 percent of the WEQ’s general membership must ratify the standard.⁹

5 The filing is available at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=9607888>

6 The filing is available at <http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=10369845>

7 The four quadrants are the wholesale and retail electric quadrants and the wholesale and retail natural gas quadrants.

8 Under NAESB’s procedures, interested persons may attend and participate in NAESB committee meetings and phone conferences, even if they are not NAESB members.

9 See Report at 2, North American Energy Standards Board, Measurement and Verification of Demand Response Products, Docket No. RM05-5-020 (filed May 3, 2011) (May 3 Report) (providing a status update and description of

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

Proposed Rulemaking in Docket No. RM05-5-020

NAESB began work on the development of business practice standards pertaining to the measurement and verification of demand response¹⁰ products and services in July 2007, when the NAESB WEQ Demand Side Management - Energy Efficiency (DSM-EE) subcommittee began work on this issue. This effort led to the adoption and ratification by NAESB of initial measurement and verification standards early in 2009.

On April 17, 2009, NAESB filed a report (April 2009 Report) informing the Commission that it had adopted an initial set of business practice standards to categorize various demand response products and services and to support the measurement and verification of these products and services in organized wholesale electricity markets (Phase I Demand Response M&V Standards).¹¹ Key to obtaining consensus on the initial set of standards was the agreement to proceed with further work on more detailed technical standards for the measurement and verification of demand response resources. The NAESB report recognized that these standards would need to be followed by the development of more detailed technical standards for the measurement and verification of demand response products and services in ISOs and RTOs.

On April 15, 2010, the Commission issued Order No. 676-F, incorporating by reference¹² the Phase I Demand Response M&V Standards¹³ that categorize various demand response products and services and support the measurement and verification of these products and services in organized wholesale electricity markets.¹⁴ The Commission stated that “[w]hile NAESB’s Phase I [Demand Response] M&V Standards represent a good first step, additional substantive standards would appear beneficial in creating transparent and consistent measurement and verification of demand response products and services in wholesale electric markets.”¹⁵ The Commission also stated that

the proposed standards). In accordance with applicable copyright laws, complete versions of the standards are available from NAESB at 801 Travis Street, Suite 1675, Houston, TX 77002, telephone: (713) 356-0060, <http://www.naesb.org>, and are available for viewing in the Commission’s Public Reference Room.

¹⁰ Demand response means a reduction in the consumption of electric energy by customers from their expected consumption in response to an increase in the price of electric energy or to incentive payments designed to induce lower consumption of electric energy. 18 C.F.R. § 35.28(b)(4) (2011).

¹¹ Report, North American Energy Standards Board, Measurement and Verification of Demand Response Products, Docket No. RM05-5-017, at 2 (filed Apr. 17, 2009) (April 2009 Report).

¹² Incorporation by reference makes compliance with these standards mandatory for public utilities subject to Part 38 of the Commission’s regulations.

¹³ See *Standards for Business Practices and Communication Protocols for Public Utilities*, Notice of Proposed Rulemaking, FERC Stats. & Regs. ¶ 32,646 (2009) (2009 NOPR).

¹⁴ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-F, FERC Stats. & Regs. ¶ 31,309 (2010).

¹⁵ Order No. 676-F, FERC Stats. & Regs. ¶ 31,309 at P 32.

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

“we expect Phase II will address issues related to baseline development”¹⁶ The Commission anticipated that the measurement and verification standards needed to accomplish this goal would be a focus of NAESB’s Phase II measurement and verification standards development efforts.¹⁷

NAESB subsequently initiated specific plans to improve and adopt additional technical standards and filed a report¹⁸ with the Commission on May 3, 2011 (May 3 Report) that informed the Commission that NAESB had adopted a revised set of standards covering measurement and verification (Phase II Demand Response M&V Standards) and a new set of standards covering energy efficiency,¹⁹ and explained its efforts to develop these standards.

In addition to demand response standards, NAESB drafted, discussed, and adopted business practice standards for the measurement and verification of energy efficiency in organized wholesale electricity markets (Wholesale Energy Efficiency M&V Standards). NAESB reports that the work took place between July 2009 and December 2010, and was considered in NAESB’s DSM-EE subcommittee meetings and WEQ’s Executive Committee meetings. The standards are designed to create a standard method for quantifying the energy reductions from energy efficiency measures. The Wholesale Energy Efficiency M&V Standards include six new definitions and 63 business practice standards. Included are definitions for energy efficiency baseline and demand reduction value. The standards contain criteria for the use of energy efficiency products in organized wholesale electricity markets, general measurement and verification plan requirements, and detailed criteria of acceptable measurement and verification methodologies.

A. JUSTIFICATION

¹⁶ *Id.* P 37.

¹⁷ *Id.* P 32.

¹⁸ *See supra* n.8.

¹⁹ Energy efficiency:

[r]efers to programs that are aimed at reducing the energy used by specific end-use devices and systems, typically without affecting the services provided. These programs reduce overall electricity consumption (reported in megawatthours), often without explicit consideration for the timing of program-induced savings. Such savings are generally achieved by substituting technologically more advanced equipment to produce the same level of end-use services (e.g. lighting, heating, motor drive) with less electricity. Examples include high-efficiency appliances, efficient lighting programs, high-efficiency heating, ventilating and air conditioning (HVAC) systems or control modifications, efficient building design, advanced electric motor drives, and heat recovery systems.

U.S. Energy Information Administration Glossary, <http://www.eia.gov/tools/glossary/index.cfm?id=E> (last visited Feb. 24, 2012).

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

In general, the Federal Power Act, section 205, 16 U.S.C. § 824d(a) 2006, requires the Federal Energy Regulatory Commission to ensure that the rates and charges for the wholesale sale of electric energy must be just and reasonable. Section 205 also requires that the rules and regulations affecting or pertaining to the rates and charges for the wholesale sale of electric energy be just and reasonable. FERC, in its Order No. 2000, established organized wholesale electricity markets to help ensure that the wholesale sale of electric energy is just and reasonable.²⁰

FERC continues to assess and monitor the organized wholesale electricity markets under its jurisdiction to ensure that ancillary resources that are technically capable of providing a service are treated comparably to supply resources offering that service. FERC recognizes that demand response and energy efficiency resources can make potentially important contributions towards a more robust and stable national electrical grid.

FERC regulates six organized wholesale electricity markets, each operated by an independent system operator (ISO) or a regional transmission organization (RTO): ISO New England, Inc. (ISO-NE), New York Independent System Operator, Inc. (NYISO), PJM Interconnection, Inc. (PJM), Midwest Independent Transmission System Operator, Inc. (Midwest ISO), SPP, and the California ISO. The accurate measurement of demand response and energy efficiency services and products would help RTOs and ISOs properly credit these resources for the benefits they provide.

The proposed standards contained in the NOPR apply to the organized wholesale electricity markets. The standards, if adopted through a rulemaking proceeding, would help FERC ensure that the measurement of the contribution of demand response and energy efficiency resources is accurate, accountable, and verifiable.

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

The information collection requirements contained in the proposed rule will, if adopted through a rulemaking proceeding, require organized wholesale electricity markets to revise their tariffs as necessary to incorporate by reference the proposed

²⁰ Regional Transmission Organizations, Order No. 2000, FERC Stats. & Regs. ¶ 31,089 (1999), order on reh'g, Order No. 2000-A, FERC Stats. & Regs. ¶ 31,092 (2000), aff'd sub nom. Pub. Util. Dist. No. 1 of Snohomish County, Washington v. FERC, 272 F.3d 607 (D.C. Cir. 2001)

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

standards. Because the incorporation by reference is, in essence, a reference to standards maintained by another entity, minimal effort is required by the obligated entity. The purpose of incorporating by reference the standards is to ensure that all users and viewers of an entity's tariff are aware of the obligations placed on that entity, and that all obligated entities use the same set of standards. The consequence of not requiring an entity to revise its tariff is that it would promote ambiguity regarding the rights and responsibilities of that entity subject to the requirements of proposed standards, and decrease transparency that is essential to well-functioning and just and reasonable organized wholesale electricity markets.

Since the 2007 FERC Demand Response Report, FERC has taken several actions concerning the participation of demand response in the organized wholesale electricity markets operated by these ISOs and RTOs. On April 15, 2010, FERC issued Order No. 676-F, incorporating by reference the NAESB's Phase I standards to support the measurement and verification of demand response services in organized wholesale electricity markets. At that time, FERC noted that the Phase I standards were a "good first step" and that more transparency and consistency of measurement protocols would come from subsequent standard development. This set of NAESB-developed demand response standards (termed "Phase II") proposed for incorporation by reference by the NOPR represents an effort to institute more specificity to the existing Phase I Demand Response M&V standards, as well as to refine the demand response standards' definitions and business practices.

The energy efficiency standards developed by NAESB and proposed for incorporation by reference by FERC recognize the energy efficiency services available in some organized wholesale electricity markets. These standards establish a standard method for quantifying the energy reductions associated with energy efficiency products and services. The standards consider technical requirements, and incorporate documentation and reporting requirements applicable to installed energy efficiency measures.

FERC-516: The information from FERC-516 enables FERC to exercise its wholesale electric rate and electric power transmission oversight and enforcement responsibilities in accordance with the Federal Power Act and the DOE Act as referenced above. Sufficient detail must be obtained for FERC to make an informed and equitable decision concerning the appropriate level of rates, and to aid customers and other parties who may wish to challenge the rate proposed by the utility. Other more abbreviated data requirements are required where utility filings involve (1) non-rate increase applications, such as changes in the points where electricity is delivered to a customer, (2) formula rates, (3) settlement rates, and (4) qualifying small power producer rates.

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]

FERC-717: These requirements apply to all Public Utilities owning and/or controlling facilities used for the transmission of electricity in interstate commerce. These procedures enable FERC to ensure compliance with the functional unbundling established in the Commission's Open Access rulemaking.

The Commission uses the information in rate and tariff proceedings to review proposed rate and tariff changes by public utilities, for general industry oversight, and to supplement the documentation used during the Commission's audit process. The collection of this information is necessary to meet the legal requirements, namely the statutory obligations under section 205 and 206 of the FPA, to prevent unduly discriminatory practices.

Failure to issue these requirements would mean FERC is not meeting its statutory obligations and permitting discrimination in interstate transmission services provided by the public utilities. FERC believes the implementation of these data requirements will help FERC carry out its responsibilities under the Federal Power Act of promoting the efficiency of the electric industry's operations.

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

FERC has made no significant changes in the use of information technology for complying with the FERC-516 and FERC-717 since the last time these collections were submitted to OMB. However, filers are successfully using the Commission's eTariff system (fully implemented in 2010) for the electronic filing of tariffs. Applicable entities also continue to use OASIS (under the FERC-717 collection), providing the public online access to transmission service information.

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.

FERC rules and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of FERC's regulations and data requirements to identify duplication. The information to be submitted to FERC pursuant to this NOPR is not readily available from other sources, and therefore, no use or other modification of the information can be made to perform oversight and review

responsibilities under applicable legislation (e.g., Federal Power Act (FPA), Energy Policy Act of 1992 (EPAAct)).

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

The final rule only impacts ISOs and RTOs. These entities are not small entities. The OASIS and Standards of Conduct requirements (unchanged in this proceeding) may impact small entities. The Commission considers waivers for these types of entities.

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

ISOs and RTOs will be required to comply with the requirements in the proposed rule, if adopted. The proposed information will impose the least possible burden while collecting the information that will be used for promoting the efficiency of the electric industry's operations. By adopting and incorporating these standards into the Commission's regulations, it permits industry to use the NAESB consensus process, and to suggest further modifications and enhancements to business practices and the standards as industry considers necessary, subject to the FERC's approval. If the data were not filed, the Commission and Industry would be placed at a disadvantage by not having the most current data available for competitive and regulatory purposes.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION

FERC-717 and FERC-516 are consistent with the guidelines in 5 CFR 1320.5(d).

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

In the proposed rule the Commission seeks comment on various aspects of the new business practice standards, including the burden estimates provided. Further, as already noted, the NAESB WEQ business practice standards are developed and voted on by industry representatives prior to submission to FERC. For final approval, 67 percent of the WEQ's general membership must ratify the standard. Error: Reference source not

found

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to respondents under any circumstance.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

All data filed are public information and, therefore, not confidential. However, a company may request confidential treatment of some or all parts of the information requirement under the FERC regulations at 18 CFR 388.112. Each request for confidential treatment will be reviewed by the Commission on a case-by-case basis.

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE

There are no questions of a sensitive nature in the reporting requirements.

12. ESTIMATED BURDEN COLLECTION OF INFORMATION

The information collection requirements of this proposed rule will only be applicable to the 6 ISOs/RTOs. The burden estimate is based on the projected costs for the industry to implement revisions to the WEQ Standards currently incorporated by reference into the Commission’s regulations at 18 CFR 38.2 and to implement the new standards adopted by NAESB that the Commission proposes to incorporate by reference. The burden estimate also includes a tariff filing with the Commission.

The one-time burden estimate proposed in the rule is shown in the first table. After implementation, the Commission intends to remove the burden hours from each collection associated with the proposed rule:

Burden Resulting from Proposed Rule in Docket RM05-5-020					
Data Collection	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)
FERC-516	6	2 ²¹	12	5	60

²¹ The Commission assumes one tariff filing per type of standards.

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
 [Updated June 13, 2012]

FERC-717 Demand Response Standards	6	1	6	9	54
FERC-717 Energy Efficiency Standards	6	1	6	12	72
TOTAL	6	N/A	24	N/A	186

The following two tables show the total burden hours and costs for each collection and the impact of the changes proposed in the rule.

FERC-516	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	4,735	4,723	-	12
Annual Time Burden (Hr)	472,194	472,134	-	60
Annual Cost Burden (\$)	143,556	143,556	-	-

FERC-717	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	546	534	-	12
Annual Time Burden (Hr)	183,842	183,716	-	126
Annual Cost Burden (\$)	27,432,374	27,432,374	-	-

13. ESTIMATE OF TOTAL ANNUAL COST OF BURDEN TO RESPONDENTS

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
 [Updated June 13, 2012]

The following two tables show only the cost associated with the burden imposed by the proposed rule

FERC-516	Annual Burden Hours (1)	Estimated Hourly Cost (\$) (2)	Estimated Total Annual Cost to Respondents (\$) (1) X (2)
FERC-516	60	\$59	\$3,540
FERC-717	126	\$59	\$7,434

The estimated hourly cost figure of \$59 is a composite estimate of wages plus benefits that includes legal, technical and support staff rates. It is based on data from the Bureau of Labor Statistics at http://bls.gov/oes/current/naics3_221000.htm and <http://www.bls.gov/news.release/ecec.nr0.htm>.

Costs in ROCIS

All of the costs in the proposed rule are for labor and are not shown in ROCIS metadata. The FERC-717 collection lists a cost of \$27,432,374. This is associated with other aspects of the FERC-717 collection and is not being altered by this proposed rule.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimated annualized cost to the Federal Government, for FERC-516 and FERC-717, as relates to the requirements in the NOPR in RM05-5-020 follows:

	Number of Employees (FTEs)²²	Estimated Annual Federal Cost²³
Data Clearance Cost ²⁴	-	\$1,588
FERC-516 Analysis and Processing of filings [\$143,540 /year]	0.15	\$21,531
FERC-717 Analysis and Processing of filings [\$143,540 /year]	0.4	\$57,416
FERC Total		\$80,535

22 FTE = Full-Time Equivalent or 2,080 work hours per year.

23 Based on 2012 cost per FTE of \$143,540

24 For the data clearance cost, the Commission bases this cost 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.

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.

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

The Commission expects the burden to increase minimally due to the proposed adoption of the Demand Response M&V and Energy Efficiency M&V business practice standards. Adoption of these standards is intended to improve the methods and procedures used to accurately measure demand response and energy efficiency resource performance. Additionally, these standards should help ISOs and RTOs to properly credit demand response and energy efficiency resources for their services.²⁵

There is also a minimal increase in burden associated with the respondents filing tariff revisions to incorporate provisions of the new standards.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

This is not a collection of information for which results will be published.

17. DISPLAY OF EXPIRATION DATE

It is not appropriate to display the expiration date for OMB approval of the information collected pursuant to this rulemaking affecting FERC-516 and FERC-717. The substance of the requirements is incorporated by reference into FERC’s regulations at 18 CFR (making the standards mandatory). However the standards themselves are copyrighted by NAESB, so the OMB Control Numbers and expiration dates are not displayed in the standards.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There is no stated record retention requirement as part of this collection. Also, the data collected for this reporting requirement are not used for statistical purposes.

²⁵ The Commission has also sought ISO and RTO proposals regarding their measurement and verification methodologies, including in Order No. 745, *Demand Response Compensation in Organized Wholesale Energy Markets*, 76 Fed. Reg. 16,658 (Mar. 24, 2011), FERC Stats. & Regs. ¶ 31,322, at P 93-95 (2011), *order on reh’g*, Order No. 745-A, 137 FERC ¶ 61,215, at P 123 (2011).

FERC-717 (1902-0173) and FERC-516 (1902-0096)
NOPR in Docket No. RM05-5-020 (issued 4/19/2012)
[Updated June 13, 2012]