

Supporting Statement

**FERC-715 (Annual Electric Balancing Authority Area and Planning Area Report)**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve FERC-715, Annual Transmission Planning and Evaluation Report, for a three year period. FERC-715 (OMB Control No. 1902-0171) is an existing Commission data collection (reporting requirements), as stated by 18 Code of Federal Regulations (CFR) 141.300.

**A. Justification**

**1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY**

The Energy Policy Act of 1992 provided the Commission authority with which it may mandate bulk power transmission owners to provide access to their transmission grids to third parties when requested. This allowed transmission systems to be more accessible to outside customers. In spite of the added accessibility, transmission owners retained a flexibility of service that transmission customers did not also receive. Moreover, timely permission to use the transmission grid did not occur since the Commission had to review requests on a case-by-case basis. To remedy these problems, the Commission issued Order No. 888<sup>1</sup>. Order No. 888 required utilities owning bulk power transmission facilities to treat any of their own wholesale and purchases of energy over their own transmission facilities under the same transmission tariffs they apply to others.

The Energy Policy Act of 2005 further granted significant new responsibilities and authority to discharge these responsibilities by modifying the Federal Power Act (FPA), the Natural Gas Act, and the Public Utility Regulatory Policies Act of 1978 (PURPA). These new responsibilities included (but not limited to):

- Overseeing the reliability of the nation's electricity transmission grid;
- Implementing new tolls (including penalty authority) to prevent market manipulation;
- Providing rate incentives to promote electric transmission investment;
- Supplementing state transmission siting efforts in national interest electric transmission corridors and;
- Reviewing certain holding company mergers and acquisitions involving electric utility facilities as well as certain public utility acquisitions of generating facilities.

FPA Section 213<sup>2</sup> requires each transmitting utility that operates integrated transmission system facilities rated above 100 kilovolts (kV) to submit annually:

- Contact information for the FERC-715;

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<sup>1</sup> 75 FR 61080

<sup>2</sup> 16 USC 842l

- Base case power flow data (if it does not participate in the development and use of regional power flow data);
- Transmission system maps and diagrams used by the respondent for transmission planning;
- A detailed description of the transmission planning reliability criteria used to evaluate system performance for time frames and planning horizons used in regional and corporate planning;
- A detailed description of the respondent's transmission planning assessment practices (including, but not limited to, how reliability criteria are applied and the steps taken in performing transmission planning studies); and
- A detailed evaluation of the respondent's anticipated system performance as measured against its stated reliability criteria using its stated assessment practices.<sup>3</sup>

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

The FERC-715 enables the Commission to use the information as part of their regulatory oversight functions which includes:

- The review of rates and charges;
- The disposition of jurisdictional facilities;
- The consolidation and mergers;
- The adequacy of supply and;
- Reliability of nation's transmission grid

The FERC-715 enables the Commission to facilitate and resolve transmission disputes. Additionally, the Office of Electric Reliability (OER) uses the FERC-715 data to help protect and improve the reliability and security of the nation's bulk power system. OER oversees the development and review of mandatory reliability and security standards and ensures compliance with the approved standards by the users, owners, and operators of the bulk power system. OER also monitors and addresses issues concerning the nation's bulk power system including assessments of resource adequacy and reliability.

Without the FERC-715 data, the Commission would be unable to evaluate planned projects or requests related to transmission.

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

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<sup>3</sup> <http://www.ferc.gov/docs-filing/forms/form-715/overview.asp>

The Commission allows the FERC-715 application to be eFiled within eLibrary.

For current information on the FERC-715 submission guidelines, go to <http://www.ferc.gov/docs-filing/efiling/filing.pdf>. For more specific guidance on filing the FERC-715, go to <http://www.ferc.gov/docs-filing/forms.asp#715>.

**4. DESCRIBE EFFORTS TO IDENTIF 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**

The Commission published a notice within the Federal Register to help identify any duplication of the information in FERC-715. The Commission received no comments regarding this collection. No similar information can be used or modified. There are no other Federal agencies responsible for the collection of power flow simulation data, transmission line diagrams, or detailed transmission planning reports.

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

The Commission uses eFiling for the FERC-715 as a means of reducing burden for respondents including small entities.

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

The Commission continually uses the information collected to review reliability issues and market structure relationships. The Commission also uses the data to review merger analysis. The United States Department of Justice (DOJ) uses the data for merger analysis and transmission line relief (TLR) calculation. The Energy Information Administration (EIA) uses the data to model various electricity markets. Finally, state regulatory authorities and potential transmission customers use the data to assess whether transmission capacity is available. The Commission would be unable to perform its mandated review in a timely and accurate manner if they collected this information less frequently.

**7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION**

The form 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**

In accordance with OMB requirements, the Commission published a 60-day notice<sup>4</sup> and a 30-day notice<sup>5</sup> to the public regarding this information collection on 9/4/2012 and 11/20/2012 respectively. Within the public notice, 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. The Commission received 0 comments regarding this information collection.

**9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS**

There are no payments or gifts to FERC-715 respondents.

**10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS**

The Commission considers the information collected in FERC-715 filings to be Critical Energy Infrastructure Information (CEII). The Commission releases this information only to requestors that file a request for CEII under the appropriate regulations.<sup>6</sup>

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

The Commission does not consider any of the questions within the FERC-715 of a sensitive nature that would be considered private.

**12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION**

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

<b>FERC-715: Annual Electric Balancing Authority Area and Planning Area Report</b>				
<b>Number of Respondents (A)</b>	<b>Number of Responses Per Respondent (B)</b>	<b>Total Number of Responses (A)x(B)=(C)</b>	<b>Average Burden Hours per Response (D)</b>	<b>Estimated Total Annual Burden (C)x(D)</b>
110	1	110	160	17,600

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<sup>4</sup> 77 FR 53877

<sup>5</sup> 77 FR 69615

<sup>6</sup> 18 CFR 388.113

The following table shows the labor cost associated with the burden hours.

<b>Annual Burden Hours (1)</b>	<b>Estimated Hourly Cost (\$) (2)</b>	<b>Estimated Total Annual Cost to Respondents (\$) (1) X (2)</b>
17,600	\$69.01 <sup>7</sup>	\$1,214,576

### **13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

Total Capital and Start-up cost: \$0

Total Operation, Maintenance, and Purchase of Services: \$0

### **14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT**

	<b>Number of Employees (FTEs)</b>	<b>Estimated Annual Federal Cost</b>
Analysis and Processing of filings <sup>8</sup>	0.048	\$6,890
PRA <sup>9</sup> Administrative Cost <sup>10</sup>		\$1,588
<b>FERC Total</b>		<b>\$8,478</b>

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 submitted in response to the information collection.

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

The requirements within FERC-715 did not change. Thus, there is no significant change in burden from the last date of submittal. The decrease in the number of filers is due primarily to filers electing to collaborate and submit a single, regional filings in lieu of multiple company-

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<sup>7</sup> This figure is rounded to the nearest cent

<sup>8</sup> Based upon 2012 FTE average salary plus benefits (\$143,540)

<sup>9</sup> Paperwork Reduction Act of 1995 (PRA)

<sup>10</sup> Based upon 24 hours of Commission staff time/effort

specific filings. Specifically, the estimated burden here is based on FERC's receipt of exactly 110 responses in 2012.

FERC-715	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	110	120	10	0
Annual Time Burden (Hr)	17,600	19,200	1,600	0
Annual Cost Burden (\$)	\$0	\$1,184,280	-\$1,184,280	\$0

With the clearance package, the cost to industry is displayed using the unit of burden hours. In accordance with the "ROCIS HOW TO Guide for Agency Users of the Information Collection Request (ICR) Module", users should not report as a dollar cost any burden reported in hours. Therefore, Commission staff corrected the industry's annual cost burden within the ROCIS metadata to show that the Commission associates no cost to capital investment or other non-labor costs. The Commission estimates the monetary cost related to the burden hours in #12 (above). The Commission erroneously represented these data in previous FERC-715 supporting statements. Commission staff corrected the error within the current proposed clearance package.

The format, label, and definitions of the table above follow the ROCIS system's "ICR Summary of Burden" for the meta-data.

## **16. TIME SCHEDULE FOR PUBLICATION OF DATA**

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

## **17. DISPLAY OF EXPIRATION DATE**

It is not appropriate to display the expiration date for OMB approval of the information collection pursuant to 18 CFR 141.300. The Commission does not collect the information upon a standard form which would facilitate the display of the expiration date for OMB approval.

## **18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

The Commission does not use the data collected for this reporting requirement for statistical purposes. Therefore, the Commission does not use as stated in item (i) of the certification to

FERC-715 (OMB Control No. 1902-0171)  
(updated 3/27/2013)

OMB "effective and efficient statistical survey methodology." The information collected is case specific to each information collection.