Supporting Statement

**FERC-725A, Mandatory Reliability Standards for the Bulk Power System**

EOP-004-2 Event Reporting

In Docket RD13-3-000 the Commission approved Reliability Standard EOP-004-2, submitted by the North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO). Reliability Standard EOP-004-2 identifies types of reportable events and thresholds for reporting, requires responsible entities to have an operating plan for reporting applicable events to NERC and other entities (including law enforcement), and requires reporting of threshold events within a 24 hour period.

The existing information collection requirements in the currently effective Reliability Standard, EOP-004-1, are approved by OMB under FERC-725A (OMB Control No.1902-0244).

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

On August 8, 2005, The Electricity Modernization Act of 2005, which is Title XII of the Energy Policy Act of 2005 (EPAct 2005), was enacted into law.[[1]](#footnote-1) EPAct 2005 added a new section 215 to the Federal Power Act (FPA), which requires a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight, or by the Commission independently.

On March 16, 2007, in Order No. 693, pursuant to section 215(d) of the FPA, the Commission approved 83 of 107 proposed Reliability Standards, six of the eight proposed regional differences, and the North American Electric Reliability Corporation (NERC) *Glossary of Terms Used in Reliability Standards* (NERC Glossary), including the currently-effective Disturbance Reporting Reliability Standard, EOP-004-1.**[[2]](#footnote-2)**

In Order No. 693, the Commission also approved Reliability Standard CIP-001-1 - Sabotage Reporting. In addition, the Commission directed that NERC develop certain modifications to the standard, to further define the term sabotage, provide guidance on triggering events, specify baseline requirements for recognizing sabotage events, incorporate periodic review of sabotage reporting procedures, and require that applicable entities contact appropriate governmental authorities within a specified time period.**[[3]](#footnote-3)**

Project 2009-1 -- Disturbance and Sabotage Reporting was initiated in April 2009, by PJM Interconnection, LLC, as a request for revision to existing standard CIP-001-1.**[[4]](#footnote-4)** The standard drafting team developed EOP-004-2, Event Reporting, as a means of combining the requirements of EOP-004-1 and CIP-001 into a single reporting standard.**[[5]](#footnote-5)**

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

Currently-effective Reliability Standard EOP-004-1 contains the requirements for reporting and analyzing disturbances, while CIP-001-2a addresses sabotage reporting. Proposed Reliability Standard EOP-004-2 merges EOP-004-1 and CIP-001-2a, and represents an improvement in the identification and reporting of events.**[[6]](#footnote-6)** Proposed Reliability Standard EOP-004-2 provides a comprehensive approach to reporting disturbances and events that have the potential to impact the reliability of the bulk electric system in accordance with several Commission directives.**[[7]](#footnote-7)**

The current approved definition of Disturbance from the NERC Glossary of Terms is:

* An unplanned event that produces an abnormal system condition.
* Any perturbation to the electric system.
* The unexpected change in Area Control Error (ACE) that is caused by the sudden failure of generation or interruption of load.

As proposed, EOP-004-2 would require the following:

* Responsible entities[[8]](#footnote-8) must have an operating plan for reporting applicable events to NERC and others (e.g., Regional Entities, applicable reliability coordinators, and law enforcement), including procedures for reporting the specific events at thresholds identified in Attachment 1 (Requirement R1);
* Responsible entities must report events as defined in their operating plan “within 24 hours of recognition of meeting an event type threshold for reporting,” or by the end of the next business day if the event occurs on a weekend (Requirement R2); and
* Responsible entities must validate contact information contained in the operating plan on an annual basis (Requirement R3).

Reliability Standard EOP-004-2 includes two attachments. Attachment 1 (Reportable Events) identifies types of events and thresholds for reporting, such as damage or destruction of a facility, physical threats to facilities, firm load loss, and generation loss. Attachment 2 is a standardized form for event reporting. To minimize administrative burden, U.S. entities may elect to use DOE Form OE-417 (Emergency Incident and Disturbance Report), rather than Attachment 2, to report under EOP-004-2.**[[9]](#footnote-9)**

EOP-004-2 includes clear criteria for reporting and consistent reporting timelines. In addition, the proposed reporting requirements will “allow governmental authorities and critical infrastructure members the opportunity to react in a meaningful manner” to disturbance or other event information, thereby “support[ing] reliability principles and ultimately help[ing] to protect against future malicious physical attacks.”**[[10]](#footnote-10)**

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

The use of current or improved technology is not covered in Reliability Standards, and is therefore left to the discretion of each reporting entity. We think that nearly all of the respondents are likely to make and keep related records in an electronic format. Each of the eight Regional Entities has a well-established compliance portal for registered entities to electronically submit compliance information and reports. The compliance portals allow documents developed by the registered entities to be attached and uploaded to the Regional Entity’s portal. Compliance data can also be submitted by filling out data forms on the portals. These portals are accessible through an internet browser password protected user interface.

1. **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**

The following paragraphs are excerpted from NERC’s Petition seeking approval of proposed Reliability Standard EOP-004-2 (Pages 16-17), submitted in FERC Docket No. RD13-3-000:

The DOE Office of Electricity Delivery and Energy Reliability uses Form OE-417, “Emergency Incident and Disturbance Report,” to monitor major system incidents on electric power systems. Tracking disturbances that impact the integrated generating and transmission facilities is an important part of DOE’s responsibilities, along with examining issues associated with insufficient capacity reserves. The form collects information on electric emergency incidents and disturbances for DOE’s use in fulfilling its overall national security and other energy management responsibilities. The form is a mandatory filing whenever an electrical incident or disturbance is sufficiently large enough to cross the reporting thresholds. Reporting coverage for the Form OE-417 includes all 50 States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the U.S. Trust Territories.

In an effort to minimize administrative burden, U.S. entities may use the DOE OE-417 form, rather than Attachment 2, to report under EOP-004. Pursuant to the DOE’s new online process, entities may record email addresses associated with their Operating Plan so that when the report is submitted to DOE, it will automatically be forwarded to the posted email addresses, thereby eliminating some administrative burden to forward the report to multiple organizations and agencies.[[11]](#footnote-11) This approach is consistent with the Commission’s suggestion in Order No. 693 for NERC to “consider consolidation of the sabotage reporting forms and the sabotage reporting channels with the appropriate governmental authorities to minimize the impact of these reporting requirements on all entities.”[[12]](#footnote-12)

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

The revised Reliability Standard EOP-004-2 will require a minimal initial effort in the first year and should lead to a net burden reduction in future years, thus working to reduce the burden on any small entity complying with EOP-004-2.

In general, small entities may reduce their burden by taking part in a joint registration organization or a coordinated functional registration. These options allow an entity to share its compliance burden with other entities.

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

The standard requires entities to report certain disturbance events within 24 hours of meeting an event type threshold or by the end of the next business day if the event occurs on a weekend. Other paperwork related requirements are one-time or done on a yearly basis. If the disturbance events were reported less frequently, it would undermine NERC’s (and others’) ability to mitigate the current event and prepare for a possible next event.

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

There are two special circumstances as described in 5 CFR 1320.5(d)(2) related to this information collection.

The data retention requirement in the Reliability Standard indicates that entities maintain data or evidence to show compliance with the requirements since the last audit. Reliability audits are generally every three years, but timing is such that they could be more than three years apart.

This is the language adopted by the standards drafting team and approved by industry representatives during the balloting process. As such, this is the data retention period deemed necessary for the reliability purposes contained in this standard.

The reporting requirement is event driven, and as such, an entity may be required to report more often than quarterly. NERC is responsible for ensuring the reliability of the bulk electric system. Near real-time event reporting is necessary to support this function.

Emergency electric incidents and disturbances leading to interruptions of power, such as rotating blackouts, could lead to disruptions of critical infrastructures. The national security, economic prosperity, and social wellbeing of the nation depends on the continuing reliability of our increasingly complex and interdependent infrastructures, the key one of which is electric power.

Emergency event reporting allows entities to gain an early understanding of the scope of an event, enabling requests for assistance from other entities within the industry with appropriate expertise and from other governmental agencies who otherwise might not know about the event. While assistance would not always be in real time, operational planning and system planning can benefit from outside expertise to support planning for physical and cyber security, and even to support and improve day-ahead and week-ahead operational planning. Moreover, patterns of simple events can trigger further analysis and recognition of the possibility that corrective measures should be taken to prevent even more egregious events that might ensue if left unchecked.

For these reasons we consider the reporting requirement necessary.

1. **DESCRIBE EFFORTS TO CONSULT OUTSIDE THE AGENCY: SUMMARIZE PUBLIC COMMENTS AND THE AGENCY’S RESPONSE**

The ERO process to develop proposed Reliability Standards is a collaborative process involving the ERO, Regional Entities and other stakeholders developing and reviewing drafts, and providing comments, with the final proposed standard submitted to the FERC for review and approval.**[[13]](#footnote-13)**

Following NERC’s submission to the Commission for approval of the Reliability Standard, the Commission issued a notice of filing (January 2, 2013). Seven Independent System Operators and Regional Transmission Organizations (Joint ISOs/RTOs) filed joint comments.**[[14]](#footnote-14)**

Comments

Joint ISOs/RTOs asserted that event reporting does not provide for “reliable operations” and, therefore, should not be incorporated in mandatory Reliability Standards. Joint ISOs/RTOs contend that event reporting is “an *ex post* activity” that provides only prospective benefits to system reliability.**[[15]](#footnote-15)** Joint ISOs/RTOs argue that the Commission should “distinguish between an obligation that is a ‘requirement . . . to provide for reliable operation of the bulk-power system,’ as those terms are defined in Section 215, and those obligations that do not, such as administrative record-keeping and ex-post reporting tasks.”**[[16]](#footnote-16)** Joint ISOs/RTOs further maintained that the event reporting requirements in EOP-004-2 are redundant to other federal regulations, and that they expose registered entities to unnecessary liability and burden.**[[17]](#footnote-17)** Based on these arguments, Joint ISOs/RTOs took the position that the Commission should not only reject EOP-004-2, but should also consider retiring or otherwise revisiting the existing Reliability Standards governing disturbance and sabotage reporting (EOP-004-1 and CIP-001-2a).

Joint ISOs/RTOs argued, in the alternative, that if the Commission approves EOP-004-2, the Commission should direct certain modifications.**[[18]](#footnote-18)** In particular, Joint ISOs/RTOs advocate (1) limiting reportable events “to those that give third parties the opportunity to act to mitigate the impact of the event” such as vandalism;**[[19]](#footnote-19)** and (2) limiting the scope of entities to receive reports to those that can act to mitigate the actual event. Joint ISOs/RTOs further maintained that certain thresholds for reportable events in Attachment 1 should be modified to remove ambiguities. Joint ISOs/RTOs provide one example of such ambiguity, claiming that, while Attachment 1 requires reporting when “[d]amage or destruction of a Facility . . . results in actions to avoid a BES emergency,” reliability coordinators and balancing authorities take actions on a daily basis to “avoid a BES Emergency” without knowing whether the underlying system conditions resulted from damage or destruction to a facility. According to Joint ISOs/RTOs, the reliability coordinator or balancing authority will often not have the information to determine whether to submit a report. Finally, Joint ISOs/RTOs asserted that a strict 24-hour reporting obligation is overly-stringent and provides no reliability benefit since registered entities would have separately mitigated the event.

Commission Response

The Commission rejected Joint ISOs/RTOs’ request to reject or direct modification of the proposed standard, explaining its decision as follows:

First, we reject Joint ISOs/RTOs’ argument that event reporting is not a proper subject for Reliability Standards because it is prospective in nature and is not directly related to or otherwise supportive of “reliable operations” as that term is used in FPA section 215. The prospective benefits from certain aspects of the reporting requirements are not only valuable, but also a sufficient basis for imposition of a mandatory and enforceable reliability requirement.Events reporting allow entities to gain an early understanding of the scope of an event, enabling requests for assistance from other entities within the industry with appropriate expertise and from other governmental agencies who otherwise might not know about the event. While assistance would not always be in real time, operational planning and system planning can benefit from outside expertise to support planning for physical and cyber security, and even to support and improve day-ahead and week-ahead operational planning. Moreover, patterns of simple events can trigger further analysis and recognition of the possibility that corrective measures should be taken to prevent even more egregious events that might ensue if left unchecked.**[[20]](#footnote-20)**

Moreover, EOP-004-2 has been designed to minimize redundancies and multiple reporting obligations to the extent possible, by allowing responsible entities to report an event either through submission of its Attachment 2 *or* DOE Form OE-417.**[[21]](#footnote-21)**

Nor are we persuaded by Joint ISOs/RTOs that EOP-004-2, if adopted, requires modification. We find no reason to require NERC to limit reportable events to those that give third parties time to act to mitigate the event, or to limit the recipients of such reports to those that can act to mitigate actual, real-time events. It is unclear that such events could be readily identified, leading to greater confusion concerning reporting requirements and a possible loss of information about those mitigable events. More importantly, as noted above, we do not agree that FPA section 215 limits the scope of Reliability Standards to those that directly affect real-time operations, and therefore do not agree with the underlying basis for Joint ISOs/RTOs’ proposed modification.

Further, based on the one example provided by Joint ISOs/RTOs, we are not persuaded that the triggering events delineated in Attachment 1 require clarification. Joint ISOs/RTOs contend that, while Attachment 1 requires reporting when “[d]amage or destruction of a Facility . . . results in actions to avoid a BES emergency,” reliability coordinators and balancing authorities may take actions to avoid a BES Emergency without knowing whether the underlying system conditions resulted from damage or destruction to a facility. Requirement R2 of EOP-004-2 requires reporting of an event “within 24 hours of recognition of meeting an event type threshold . . . .” NERC explains that the language of Requirement R2 is based on “recognition” of an event threshold because “an entity may not be immediately aware of destruction or damage to a remote piece of equipment” and “requiring Responsible Entities to constantly monitor all equipment and property for destruction or damage would be a waste of resources . . . .”**[[22]](#footnote-22)** We agree that NERC has developed a practical solution to reporting that, rather than creating ambiguity, provides a more clear and rational trigger for reporting.

Finally, we reject Joint ISOs/RTOs’ objection that the 24-hour reporting window is too stringent. As indicated by the Attachment 2 standardized Event Reporting Form, entities are only required to provide limited, specified information pertaining to an event. No underlying investigation or analysis is required. If Joint ISOs/RTOs believe that improvements can be made to EOP-004-2, through clarifying language or other modifications as the industry gains experience with EOP-004-2’s revised reporting requirements, they can seek to do so through NERC’s standard development process.

Additional Comment Opportunity

The Commission Order, in Docket No. RD13-3 solicited comments on the information collection requirements. No comments were received in response to the Order.

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

The Commission does not make payments or provide gifts for respondents related to this collection.

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

There are no specific assurances of confidentiality mentioned to respondents.

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

This collection does not include any questions of a sensitive nature.

1. **ESTIMATED BURDEN OF COLLECTION OF INFORMATION**

Rather than creating entirely new obligations to report a system disturbance, the revised Reliability Standard, EOP-004-2, primarily clarifies the thresholds that can trigger a reporting obligation, and reduces the reporting burden for certain individual respondents due to the use of a simplified form in Attachment 2. However, the revised Reliability Standard would increase the reporting burden for some individual entities, because it would apply for the first time to transmission owners and generator owners. We do not anticipate a large increase in the number of respondents because the existing Reliability Standard applies to transmission operators and generator operators, which includes the majority of the entities registered as transmission owners and generator owners.

Our estimate below regarding the number of respondents is based on the NERC compliance registry as of March 2013. According to the registry, there are 7 transmission owners (TO) that are not also transmission operators (TOP), 128 generator owners (GO) that are not also generator operators (GOP), and 101 distribution providers (DP) that are not also registered as another functional entity covered by the current event reporting standards. Thus, we estimate that a total of 236 entities may be subject to the event reporting requirements of EOP-004-2 for the first time.**[[23]](#footnote-23)** NERC included these new entities in the Reliability Standard because they are entities that are directly impacted by an event.

The number of annual reports required could vary widely based on the individual entity and the extent of its facilities. The estimate below is based on an assumption that, on average, 25 percent of the entities covered by EOP-004-2 will have one reportable event per year. As demonstrated below, the primary increase in cost associated with the revised standard is expected in Year 1, when newly covered entities must develop an operating plan for reporting. In Years 2 and 3, an overall *reduction* in reporting and recordkeeping burden is expected, due to the simplified reporting form:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Type of Respondent** | **Reporting/ Record-keeping Requirement** | **Number of Respondents** | **Number of Responses Per Respondent** | **Total Number of Responses** | **Average Burden Hours per Response** | **Estimated Total Annual Burden** |
| **(A)** | **(B)** | **(A)x(B)=(C)** | **(D)** | **(C)x(D)** |
| New Entities (GO, TO, DP) | Developing  Operating Plan  (Yr 1 Only) | 236 | 1 | 236 | 8 | 1,888 |
| Reporting Event  (Yrs 1, 2, and 3) | 59 | 1 | 59 | 0.17 | 10.03 |
| Entities Subject to Existing Reporting Requirements | Conforming Operating Plan to New Thresholds  (Yr 1 Only) | 1164 | 1 | 1164 | 2 | 2,328 |
|  | Reporting Event (using new form)  (Yrs 1, 2, and 3) | 291 | 1 | 291 | -0.33 (reduction from current burden) | -96.03 (reduction from current burden) |
| **One-Time Total Burden (Year 1 Only)** |  |  |  |  |  | **4,216** |
| **Net Total Reporting Event Burden for Each Year** |  |  |  |  |  | **-86[[24]](#footnote-24)**  **(reduction from current burden)** |

The estimated breakdown of annual cost is as follows:

* Year 1
  + New Entities, Development of Operating Plan: 236 entities \* 1 response/entity \* (8 hours/response \* $60/hour[[25]](#footnote-25)) = $113,280.
  + New Entities, Event Reporting: 59 entities \* 1 response/entity \* (.17 hours/response \* $60/hour) = $601.80.
  + Current Responsible Entities, Conforming Operating Plan: 1164 entities \* 1 response/entity \* (2 hours/response \* $60/hour) = $139,680.
  + Current Responsible Entities, Event Reporting Using New Event Reporting Form: 291 entities \* 1 response/entity \* [(.17 hours/response - .5 hours/response)[[26]](#footnote-26) \* $60/hour] = ($5,761.80).
* Year 2 and ongoing
  + New Entities, Using “Event Reporting Form”: 59 entities \* 1 response/entity \* (.17 hours/response \* $60/hour) = $601.80.
  + Old Entities, Using “Event Reporting Form”: 291 entities \* 1 response/entity \* [(.17 hours/response - .5 hours/response)26 \* $60/hour] = ($5,761.80).

The existing burden inventory for the entire FERC-725A collection is estimated at 1,829,523 burden hours. FERC-725A contains the information collection requirements for nearly all of the US wide Reliability Standards. The collection started in 2007 when FERC approved 83 Reliability Standards with an estimated 1,252,680 burden hours.

Since that time NERC has revised many of the original standards (as well as proposed new standards) resulting in many incremental additions to the total burden hours (a total of approximately 575,000 burden hours). One of the most notable additions occurred in 2011(ICR # 201012-1902-005) when we closely evaluated the number of respondents and found that there were approximately 500 more than we previously estimated. This adjustment increased the total burden for the FERC-725A by approximately 450,000 hours.

1. **ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

There is no start-up or other non-labor hour cost associated with this collection.

1. **ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT**

The Regional Entities and NERC do most of the data processing, monitoring and compliance work for Reliability Standards. Any involvement by the Commission is covered under the FERC-725 collection (1902-0225) and is not part of this request or package.

The Commission does incur the costs associated with obtaining OMB clearance under the Paperwork Reduction Act for this Collection. FERC estimates $2,250 as the annual cost for this effort.[[27]](#footnote-27)

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

The change in burden is due to the Commission approving the revised EOP-004 Reliability Standard. As stated in item #1 above, the standard drafting team developed EOP-004-2, Event Reporting, as a means of combining the requirements of EOP-004-1 and CIP-001 into a single reporting standard. To comply with the standard, newly applicable entities will have to develop an operating plan. The entities that had to comply with similar requirements prior to the changes discussed here should see a burden reduction starting in year 2 due to a more streamlined reporting form.[[28]](#footnote-28)

The following table summarizes the burden change. The 4,130 hours added to the inventory is the sum of the one-time burden (4,216 hours) and the ongoing burden (reduction of 86 hours) (4,216 - 86 = 4,130). FERC intends to remove the one-time burden from this collection after it is completed.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **FERC-725A** | **Total Request** | **Previously Approved** | **Change due to Adjustment in Estimate** | **Change Due to Agency Discretion** |
| Annual Number of Responses | 3,770 | 2,370 | - | 1,400 |
| Annual Time Burden (Hr) | 1,833,653 | 1,829,523 | - | 4,130 |
| Annual Cost Burden ($) | 126,725 | 126,725 | - | - |

1. **TIME SCHEDULE FOR PUBLICATION OF DATA**

There are no data publications as part of this collection

1. **DISPLAY OF EXPIRATION DATE**

It is not appropriate to display the expiration date because the information is not collected on a preformatted form or is part of a Reliability Standard, which do not display OMB expiration dates.

1. **EXCEPTIONS TO THE CERTIFICATION STATEMENT**

The Commission does not use statistical methods for this collection. Therefore, the Commission does not certify that the collection uses statistical methods.

1. The Energy Policy Act of 2005, Pub. L. No 109-58, Title XII, Subtitle A, 119 Stat. 594, 941 (2005), codified at 16 U.S.C. 824o (2006). [↑](#footnote-ref-1)
2. *Mandatory Reliability Standards for the Bulk-Power System,* Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 617, *order on reh’g,* Order No. 693-A, 120 FERC ¶ 61,053 (2007). [↑](#footnote-ref-2)
3. Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 471. The Commission subsequently approved an interpretation of CIP-001-1 (Letter Order issued on Feb. 2, 2011 in Docket No. RR10-11-000, accepting NERC’s clarification regarding the “appropriate parties” to which reports of a sabotage event must be made), as well as a regional modification to CIP-001-1a (Letter Order issued on August 2, 2011 in Docket RD11-6-000, approving a regional variance for ERCOT to add transmission owners and generator owners as responsible entities). Thus, the currently-effective version of the sabotage reporting standard is CIP-001-2a. [↑](#footnote-ref-3)
4. NERC Petition, FERC Docket No. RD13-3-000, at 7. [↑](#footnote-ref-4)
5. *Id.* at 8. [↑](#footnote-ref-5)
6. *Id.* at 5. [↑](#footnote-ref-6)
7. *Id.* at 3. [↑](#footnote-ref-7)
8. Responsible Entities for this standard are: Reliability Coordinator, Balancing Authority, Transmission Owner, Transmission Operator, Generator Owner, Generator Operator, and Distribution Provider. [↑](#footnote-ref-8)
9. *Id.* at 16. [↑](#footnote-ref-9)
10. *Id.* at 4. [↑](#footnote-ref-10)
11. *See* http://www.oe.netl.doe.gov/oe417.aspx. [↑](#footnote-ref-11)
12. Order No. 693 at P 471. [↑](#footnote-ref-12)
13. Details of the current ERO Reliability Standard processes are available on the NERC website at <http://www.nerc.com/FilingsOrders/us/RuleOfProcedureDL/Appendix_3A_StandardProcessesManual_20130626.pdf>. [↑](#footnote-ref-13)
14. Joint ISOs/RTOs are the California Independent System Operator Corporation; Electric Reliability Council of Texas, Inc.; Ontario’s Independent Electricity System Operator; ISO New England Inc.; Midwest Independent Transmission System Operator, Inc.; New York Independent System Operator, Inc.; and Southwest Power Pool, Inc. [↑](#footnote-ref-14)
15. Comments of Joint ISOs/RTOs at 6. [↑](#footnote-ref-15)
16. *Id*. at 5 (quoting from FPA section 215). [↑](#footnote-ref-16)
17. *See id.* at 7. [↑](#footnote-ref-17)
18. *Id*. at 8-14. Joint ISOs/RTOs acknowledge that, “[i]f the Commission disagrees with the Joint ISOs/RTOs’ position that event reporting should not be included in the Reliability Standards . . . , proposed standard EOP-004-2 is an improvement over the two events reporting standards it would replace . . . .” *Id*. at 8. [↑](#footnote-ref-18)
19. *Id.* at 9. [↑](#footnote-ref-19)
20. We have previously approved Reliability Standards that do not affect “real-time operations” yet still support the reliable operation of the Bulk-Power System, including Reliability Standards within the several different transmission categories including personnel performance, training and qualifications (PER); transmission planning (TPL); and facility connection and coordination (FAC-001 and FAC-002).  [↑](#footnote-ref-20)
21. *See* NERC Petition at 16. [↑](#footnote-ref-21)
22. NERC Petition at 13. [↑](#footnote-ref-22)
23. Although distribution providers are included as responsible entities under the revised Reliability Standard, their reporting obligations will be *de minimis*, as explained in the Guidelines and Technical Basis attached to the revised standard. *See* NERC Petition, Ex. B at 13. For purposes of this analysis, however, we included distribution providers as part of the assumed number of reports per year. [↑](#footnote-ref-23)
24. In the Order approving the EOP Reliability Standard we incorrectly used “-81” in this cell. [↑](#footnote-ref-24)
25. For the burden categories above, the estimated hourly loaded cost (salary plus benefits) for an engineer was assumed to be $60/hour, based on salaries as reported by the Bureau of Labor Statistics (BLS) (http://bls.gov/oes/current/naics2\_22.htm). Loaded costs are BLS rates divided by 0.703 and rounded to the nearest dollar (http://www.bls.gov/news.release/ecec.nr0.htm). [↑](#footnote-ref-25)
26. It is estimated that the average time to complete the required event report under Reliability Standard EOP-004-1 is 30 minutes, versus an estimated 10 minutes under the proposed Reliability Standard, EOP-004-2.  [↑](#footnote-ref-26)
27. This is based on an estimate of work done by the Information Clearance team and other FERC staff as well as a small non-labor cost related to publishing material in the Federal Register. [↑](#footnote-ref-27)
28. The form is part of the Reliability Standard attached as a supplementary document in FERC’s submission to OMB. [↑](#footnote-ref-28)