

FERC-582 (OMB Control No.: 1902-0132)  
FERC-917 (OMB Control No.: 1902-0233)  
as modified by the NOPR in Docket No. RM14-11-000 (issued 5/15/2014)  
Updated 6/18/14

Supporting Statement

**FERC-582 (Electric Fees, Annual Charges, Waivers, and Exemptions) and FERC-917  
(Non-Discriminatory Open Access Transmission Tariff)**

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review the information collection requirements in the RM14-11-000 Notice of Proposed Rulemaking (NOPR) (Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities) under OMB Control Numbers 1902-0233 (FERC-917) and 1902-0132 (FERC-582). This supporting statement is a consolidated document that covers the requirements of both information collections and how they pertain to the RM14-11-000 NOPR.

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

FERC-582: The Commission has jurisdiction over all facilities used for the transmission of electrical energy in interstate commerce under Section 201(b) of the FPA. Any person who owns or operates facilities subject to the Commission's jurisdiction is a public utility. The Commission is charged with the responsibility to ensure that a public utility's rates, charges, and classifications are just and reasonable and not unduly discriminatory or preferential under Sections 205 and 206 of the FPA.

FERC-917: In order No. 888 relying upon its authority under Sections 205 and 206 of the FPA, the Commission established nondiscriminatory open access to electric transmission service as the necessary foundation to develop competitive bulk power markets in the United States. Order No. 888 requires that all public utilities that own, control, or operate facilities must offer transmission service to all eligible customers under standard terms and conditions. Order No. 888 (codified in 18 CFR Section 35.28) requires that any public utility that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce must file an Open Access Transmission Tariff (OATT) and comply with other related requirements.

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

The NOPR in docket No. RM14-11 proposes the following changes to provide non-discriminatory access to Interconnection Customer's Interconnection Facilities (ICIF) to replace the current case-by-case approach for granting waivers of the OATT and priority rights declarations:

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- FERC-917: Granting Blanket Waivers to Eligible ICIF Owners. These blanket waivers result in the reduction in burden associated with avoided OATT filings and OATT waiver filings. These filings have been used to clarify the rights and obligations of owners of transmission facilities.
- FERC-582: Providing Open Access and Establishing Priority Rights to ICIF through FPA Sections 210 and 211. This process results in the reduction in burden associated with avoided petitions for declaratory order, which have been used by ICIF owners to secure priority rights to ICIF capacity for future phased generation development.
- FERC-917: Safe Harbor<sup>1</sup> for Early Years After ICIF Energization. Creating this safe harbor necessitates the safe harbor energize date filing<sup>2</sup>. This information may be used by both the Commission and the public to ascertain when a safe harbor period will be in effect, which would have implications on the standard a third party would have to meet in an FPA section 210 and 211 application. Without the safe harbor energize date filing, it would be more difficult for the Commission and any potentially interested third party to verify when the safe harbor period would expire, which could cause confusion as to the standard a third party would need to meet in an FPA section 210 and 211 application.

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

Filers can use eFiling in order to submit the safe harbor energization date. This would allow those users to minimize their submission burden using electronic submission as opposed to more traditional means (e.g. mail, messenger-service).

### **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**

The Commission periodically reviews filing requirements concurrent with OMB review or as the Commission deems necessary to eliminate duplicative filing and to minimize the filing burden. There is no information collection that duplicates the efforts in this NOPR.

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

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1 The “safe harbor” is a proposed five-year period during which an ICIF owner (and associated affiliates) may establish rebuttable presumption for priority right over third parties to use excess capacity on the energy grid.

2 The “safe harbor energization date” filing is necessary to ensure transparency regarding the applicability of the safe harbor period and to which owner the period will apply.

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The NOPR proposes a reduction in burden overall for ICIF owners, some of whom may be small entities. The reduction will result from a blanket waiver of OATT, OASIS, and Standards of Conduct filing requirements, and thus an avoidance of both individual filings to request waiver as well as OATT filings. The Commission also believes that the proposed regulations will reduce the need for eligible ICIF owners to file petitions for declaratory order to pre-emptively seek priority rights. These reductions will undoubtedly affect small entities.

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

The NOPR is intended to reduce regulatory burdens and promote development of generation facilities while continuing to ensure open access to transmission facilities. Without the proposed reform, the Commission would continue to apply its current OATT requirements to ICIF, and in doing so may impose risks and burdens on generators and create regulatory inefficiencies that are not necessary to achieve the Commission's open access goals. We also note that the only addition of burden is the safe harbor energize date filing, which is a one-time only filing for each ICIF owner.

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

There are no special circumstances related to the information collection.

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

The Commission publishes each rulemaking (e.g. this NOPR) in the Federal Register affording all public utilities and interested parties an opportunity to submit comments or suggestions concerning the proposed information collection. This NOPR was published<sup>3</sup> within the Federal Register on 5/30/2014.

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

There are no gifts or payments given to the respondents.

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

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<sup>3</sup> 79 FR 31061

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The Commission does not consider the data as part of this information collection to be confidential. Thus, the Commission provides no assurance of confidentiality.

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

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

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

The existing burden for FERC-917<sup>4</sup> and FERC-582 follows:

FERC-917: 160,042 hours (\$29,923,812) mostly comprised of effort towards non-discriminatory OATTs.

FERC-582: 300 hours dealing primarily with annual charges, but also with declaratory orders, waivers and exemptions regarding the annual charges. Labor costs: \$21,000 (300 hours x \$70/hour = \$21,000).

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

There are no start-up or other non-labor costs associated with these information collections.

Total Capital and Start-up cost: \$0

Total Operation, Maintenance, and Purchase of Services: FERC-917: \$7,400,000<sup>5</sup>; FERC-582: \$0

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

The following table pertains only to costs associated with the NOPR in RM14-11, not the entire collection for either FERC-582 or FERC-917.

<b>FERC-582</b>	<b>Number of Employees (FTEs)</b>	<b>Estimated Annual Federal Cost</b>
Analysis and Processing of filings – Existing Cost	0.05	\$7,291

<sup>4</sup> FERC-917 and FERC-918 are included under the same OMB Control Number (1902-0233)

<sup>5</sup> The cost calculation was based on square footage for recordkeeping requirements: 8,000 ft<sup>2</sup> x \$925/ft<sup>2</sup> = \$7,400,000. This cost is not associated with the current proposed rule in RM14-11.

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Analysis and Processing of filings – Added by the NOPR	0.077	\$11,276
Paperwork Reduction Act Administrative Cost <sup>6</sup>		\$5,092
<b>TOTAL</b>		<b>\$23,659</b>

<b>FERC-917</b>	<b>Number of Employees (FTEs)</b>	<b>Estimated Annual Federal Cost</b>
Analysis and Processing of filings – Existing Cost	1	\$146,591
Analysis and Processing of filings – Added by the NOPR	0.39	\$57,156
Paperwork Reduction Act Administrative Cost <sup>6</sup>		\$5,092
<b>TOTAL</b>		<b>\$208,839</b>

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

The proposed regulations give a blanket waiver of OATT, OASIS, and Standards of Conduct filing requirements, and thus avoid both individual filings to request waiver as well as OATT filings. The Commission also believes that the proposed regulations will reduce the need for eligible ICIF owners to file petitions for declaratory order to pre-emptively seek priority rights.

The estimated public reporting burden due to the NOPR in docket RM14-11-000 is as follows:

<b>RM14-11 (Open Access and Priority Rights on Interconnection Customer’s Interconnection Facilities)</b>						
	<b>Number of Respondents</b>	<b>Annual Number of Responses per Respondent</b>	<b>Total Number of Responses</b>	<b>Average Burden &amp; Cost Per Response<sup>7</sup></b>	<b>Total Annual Burden Hours &amp; Total Annual Cost</b>	<b>Average Cost per Respondent (\$)</b>
	<b>(1)</b>	<b>(2)</b>	<b>(1)*(2)=(3)</b>	<b>(4)</b>	<b>(3)*(4)=(5)</b>	<b>(5)÷(1)</b>

6 The PRA Administrative Cost is a Federal Cost associated with preparing, issuing, and submitting materials necessary to comply with the Paperwork Reduction Act (PRA) for rulemakings, orders, or any other vehicle used to create, modify, extend, or discontinue an information collection. This average annual cost includes requests for extensions, all associated rulemakings (not just NOPR in Docket No. RM14-11), and other changes to the collection.

7 The estimates for cost per response are derived using the following formula: Average Burden Hours per Response

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Individual Requests for Waiver (FERC-917)	16	-1	-16	10 \$910	-160 -\$14,560	-\$910
OATT Filings (FERC-917)	1	-1	-1	100 \$9,100	-100 -\$9,100	-\$9,100
Petitions for Declaratory Order requesting priority rights (FERC-582)	1	-1	-1	30 \$2,730	-30 -\$2,730	-\$2,730
Safe Harbor Energize Date Filing (average of first three years) <sup>8</sup> (FERC-917)	39	1	39	1 \$91	39 \$3,549	\$91
<b>TOTAL</b>			<b>21</b>		<b>-251 -\$22,841</b>	<b>-\$12,649</b>

The change in burden due to the NOPR in docket RM14-11-000 results from:

- **FERC-917-Granting Blanket Waivers to Eligible ICIF Owners.** These blanket waivers result in the reduction in burden associated with avoided OATT filings and OATT waiver filings. These filings have been used to clarify the rights and obligations of owners of transmission facilities. The Commission preliminarily finds that the blanket waiver is justified because the usually limited and discrete nature of ICIF and ICIF's dedicated interconnection purpose mean that such facilities do not typically present all of the

\* \$91 per Hour = Average Cost per Response. The hourly cost figure represents a combined hourly rate of an attorney (\$128.39), economist (\$70.96), engineer (\$59.87), and administrative staff (\$29.93), with a 50 percent weighting on the attorney's rate. The estimated hourly costs (salary) are based on Bureau of Labor and Statistics information (available at [http://www.bls.gov/oes/current/naics2\\_22.htm](http://www.bls.gov/oes/current/naics2_22.htm), and are adjusted to include benefits by assuming that salary accounts for 70.1 percent of total compensation). See <http://www.bls.gov/news.release/ecec.nr0.htm>.

<sup>8</sup> The average number of filings for the first three years is computed as follows. The Commission expects approximately 80 safe harbor filings in the first year, which represents the number of waiver filings over a historical five year period and thus the approximate number of existing entities which will be able to take advantage of the five year safe harbor period as of the effective date of the Final Rule in this proceeding. In the subsequent two years, the Commission expects approximately 18 safe harbor filings per year, which represents the historical number of OATT waiver filings (16), OATT filings (1), and petitions for declaratory order (1) per year. Going forward, we would expect the Proposed Rule would avoid these filings and that the relevant entities would instead avail themselves of the proposed safe harbor period. The average of the three year period then is  $(80 + 18 + 18) / 3 = 39$ .

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concerns about discriminatory conduct that the Commission’s OATT, OASIS and Standards of Conduct requirements were intended to address. Because third-party requests to use ICIF have been relatively rare, it is more efficient to address such situations as they arise on an individual basis.

- **FERC-582-Providing Open Access and Establishing Priority Rights to ICIF through FPA Sections 210 and 211.** This process and the safe harbor proposal mentioned below result in the reduction in burden associated with avoided petitions for declaratory order, which have been used by ICIF owners to secure priority rights to ICIF capacity for future phased generation development. The Commission believes that the proposed regulations will reduce the need for eligible ICIF owners to file petitions for declaratory order to preemptively seek priority rights.
- **FERC-917-Safe Harbor for Early Years After ICIF Energization.** Creating this safe harbor necessitates the safe harbor energize date filing resulting in the slight additional burden. This information may be used by both the Commission and the public to ascertain when a safe harbor period will be in effect, which would have implications on the standard a third party would have to meet in an FPA section 210 and 211 application. Without the safe harbor energize date filing, it would be more difficult for the Commission and any potentially interested third party to verify when the safe harbor period would expire, which could cause confusion as to the standard a third party would need to meet in an FPA section 210 and 211 application.

<b>FERC-917</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	826	804	0	22
Annual Time Burden (Hr)	159,821	160,042	0	-221
Annual Cost Burden (\$)	\$7,400,000	\$7,400,000	\$0	\$0

<b>FERC-582</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	113	114	0	-1
Annual Time Burden (Hr)	270	300	0	-30
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

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

There are no tabulating, statistical or tabulating analysis or publication plans for the collection of information.

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

The expiration dates are displayed in a table posted on ferc.gov at <http://www.ferc.gov/docs-filing/info-collections.asp>.

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