

Supporting Statement for
**FERC-566 (Annual Report of Twenty Largest Purchasers),
as modified in the NOPR in Docket RM15-3**

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review the information collection requirements in the FERC-566 (OMB Control No. 1902-0114) and extend its approval of this information collection for three years. FERC-566 is an existing data collection whose filing requirements are contained in 18 Code of Federal Regulations (CFR) Part 46.3.

The Commission has proposed revising its regulations (in the Notice of Proposed Rulemaking (NOPR) in Docket RM15-3) to eliminate the requirement to submit FERC-566 for regional transmission organizations (RTOs), independent system operators (ISOs), and exempt wholesale generators (EWGs). The Commission also proposed to revise its regulations to eliminate the requirement to submit FERC-566 for public utilities that have not made any reportable sales under FERC-566 in any of the three preceding years. The Commission also proposed to eliminate the requirement for public utilities submitting FERC-566 to identify individual residential customers by name and address.

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

The Federal Power Act (FPA) mandates federal oversight and approval of certain electric corporate activities and implements related information filing requirements. Section 305(c) of the Federal Power Act (FPA) requires, among other things, that, on or before January 31 of each calendar year, each public utility shall publish a list, pursuant to rules prescribed by the Commission, of any company, firm, or organization that identifies those purchasers of electric energy which purchased (for purposes other than resale) one of the 20 largest annual amounts of electric energy sold by such public utility (or by any public utility which is part of the same holding company system) during any one of the three calendar years immediately preceding the filing date.¹

The FERC-566 ensures that FPA-mandated oversight can occur. Additionally, this collection helps to ensure that neither public nor private interests are adversely affected by the electric activities this FPA provision covers. The regulatory requirements for the collection are contained in 18 Code of Federal Regulations (CFR) Part 46.3.

¹ 16 U.S.C. 825d(c) (2012).

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

The FERC-566 implements FPA requirements that each public utility annually publish a list of the purchasers of the 20 largest amounts of electric energy sold by such public utility during any of the three previous calendar years. The statutory requirements of the FPA identify who must file the FERC-566 report and establishes a filing deadline. The FPA also specifies that those entities required to report who have a holding company system can calculate their total volumes of energy sold by including the amounts sold by utilities within their holding company system. FERC provides details in its regulations about the information required by the FERC-566 report. For example, FERC allows required filers to file estimates of volumes based on actual information available to them if actual volumes are not available by the statutory due date. However, FERC also requires revisions of those filed estimates with final numbers by March 1st each year. The public disclosure of this information provides the Commission and public utility officers and directors with the necessary information to determine whether any of the interlocked entities are any of the twenty largest retail purchasers from the utility.

This data collection provides insight into complex electric corporate activities. It serves to safeguard public and private interests, as the FPA requires, by disclosing business relationships to both the public and the Commission for analyses. The public can file a complaint or comment with the Commission if disclosures made under this data collection provide evidence of corporate behavior that violates Commission policy.

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

Under FERC regulations, respondents can file their FERC-566 in various formats including electronically via the Commission's eFiling webpage. Approximately 70% of FERC-566 filings are submitted electronically.

FERC has made a preferred format in Excel available for use by filers of the FERC-566 filings. However, some respondents still file this form in hard copy or word processing formats.

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

This information collection is unique in that it describes specific corporate activities of individuals and businesses as required by the FPA. There are no other sources for this data.

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

The data collection imposes the least possible burden on small entities while still collecting information necessary to the Commission to fulfill statutory requirements. In addition, in the proposed rule, FERC is proposing to eliminate filing requirements for some entities further minimizing burden.

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

Section 305(c) of the Federal Power Act (FPA) requires submission of the data in the FERC-566 (i.e. public utilities to publish a list, pursuant to rules prescribed by the Commission) on or before January 31 of each calendar year. The Commission cannot change these Congressionally-mandated filing requirements or date. If the FERC-566 report was collected less frequently, the Commission would not be acting in accordance with the statutory mandate and would be unable to perform its Congressionally-mandated oversight and review responsibilities as effectively.

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

In Docket No. IC14-9-000 (for the most recent renewal cycle), in accordance with OMB requirements, the Commission published a 60-day notice² and a 30-day notice³ to the public regarding this information collection on 3/4/2014 and 7/9/2014 respectively. Within the public notices, the Commission noted that it would be requesting a three-year extension of the public reporting burden. The Commission received four comments from the public regarding this information collection.

Commenters requested certain exemptions from FERC-566 reporting requirements.

2 79 FR 12191
3 79 FR 38870

The Commission shares commenters' interest in identifying and implementing burden reductions to the benefit of filers as well as the Commission. FERC studied the issues and requirements further and is proposing changes to the FERC-566 in this NOPR in Docket No. RM15-3.

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

The FERC-566 information submitted to the Commission is made publically available. Specific requests for confidential treatment to the extent permitted by law are considered pursuant to 18 CFR 388.112.

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES, RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE

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

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The current OMB-approved estimated burden for this collection follows:

	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden/Cost Per Response ⁴(4)	Total Annual Burden Hours and Total Annual Cost⁴ (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
FERC-566	1,082	1	1,082	6 \$423	6,492 \$457,686	\$423

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up or other non-labor costs associated with this information collection.

⁴ We are using an estimate for 2014 of \$70.50 per hour, based on the average salary plus benefits for an FERC employee. We assume that industry respondents earn at a similar rate.

Total Capital and Start-up cost: \$0
 Total Operation, Maintenance, and Purchase of Services: \$0

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The following table contains the annualized effort and cost for FERC-566.

FERC-566	Number of Employees (FTEs)	Estimated Annual Federal Cost
Analysis and Processing of filings ⁵	1	\$146,591
Paperwork Reduction Act Administrative Cost ⁶		\$5,092
TOTAL		\$151,683

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

Public Reporting Burden: The burden and cost estimates below are based on the estimated reduction in burden for certain entities that would no longer have to file the annual report of twenty largest purchasers (as proposed in the NOPR in RM15-3). The Commission estimates the annual report to require (on average) six hours of burden to prepare and to file. The Commission estimates that there are six RTOs/ISOs and an additional 880 filers that report no purchasers. The latter category includes exempt wholesale generators (EWGs). All 886 entities affected by this rule will no longer have to expend the six hours of burden and will, thus, experience a reduction in burden. The following table illustrates the burden reductions that result from the proposed change to the information collection:

Respondent Category	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Reduction in Average Burden Hours & Cost per Response ⁷ (4)	Total Reduction in Annual Burden Hours & Total Annual Cost ⁸ (3)*(4)=(5)
RTOs/ISOs	6	1	6	6 \$423	36 \$2,538

⁵ Based upon 2014 FTE average salary plus benefits (\$146,591)

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).

⁷ The estimates for cost per response are derived using the following formula: Burden Hours per Response * \$70.50/hour = Cost per Response. The \$70.50/hour figure is based on the average salary plus benefits for a FERC employee. We assume that industry respondents earn at a similar rate.

⁸ Total Annual Burden Hours * \$70.50.

Filers with No Purchasers (including EWGs)	880	1	880	6 \$423	5,280 \$372,240
Total Reduction			886		5,316 \$374,778

The average burden per response for FERC-566 remains the same as in the previous clearance.

The table below illustrates how the estimated burden differs from the burden currently approved by OMB.

FERC-566	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	196	1,082	0	-886
Annual Time Burden (Hr)	1,176	6,492	0	-5,316
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no tabulating, statistical or publication plans for this 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>. It is also displayed on the preferred format at <http://www.ferc.gov/docs-filing/forms/form-566/preferred-format.xls>.

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.