

Supporting Statement for
FERC-914, Cogeneration and Small Power Production—Tariff Filings

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC-914 (Cogeneration and Small Power Production—Tariff Filings)** for a three year period. FERC-914 (OMB Control No. 1902-0231) is an existing Commission data collection¹.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

Section 1253 of the Energy Policy Act of 2005 (EPACT 2005) modified Section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA).

The Commission implemented the Congressional mandate of the Energy Policy Act of 2005 (EPAct 2005) by, *inter alia*, establishing criteria for new qualifying cogeneration facilities by:

- ensuring that these facilities are using their thermal output in a productive and beneficial manner; that the electrical, thermal, chemical and mechanical output of new qualifying cogeneration facilities is used fundamentally for industrial, commercial, residential or industrial purposes; and there is continuing progress in the development of efficient electric energy generating technology;
- amending the FERC Form 556 (OMB Control No. 1902-0075) to reflect the criteria for new qualifying cogeneration facilities; and
- eliminating ownership limitations for qualifying cogeneration and small power production facilities. The Commission satisfied the statutory mandate and its continuing obligation to review its policies encouraging cogeneration and small power production, energy conservation, efficient use of facilities and resources by electric utilities and equitable rates for energy customers.

The Commission issued Order Nos. 671² and 671-A to revise related regulations. The Commission eliminated certain exemptions from rate regulations that were previously available to qualifying facilities (QFs). New QFs may need to make tariff filings (i.e., the subject of FERC-914) if they do not meet the revised exemption requirements.

In the FERC-914, those qualifying cogeneration and small power production facilities, required to do so, will submit to FERC:

- FPA Section 205 and/or 206 filings,
- Change of status notifications.

¹ Includes filers not exempted by 18 CFR 292

² Order Nos. 671 and 671-A were issued in February 2006 and May 2006 respectively. Neither of these orders expanded the number of qualifying cogenerators and small power production facilities required to file FERC-914.

Section 205 filings refer to Section 205(c) of the Federal Power Act (FPA), which requires that every public utility have all of its jurisdictional rates and tariffs on file with the Commission and make them available for public inspection, within such time and in such form as the Commission may designate. Section 205(d) of the FPA requires that every public utility must provide notice to the Commission and the public of any changes to its jurisdictional rates and tariffs. In addition, FPA section 206 allows the Commission, upon complaint or its own motion, to modify existing rates or services that the Commission finds to be unjust, unreasonable, unduly discriminatory or preferential.

Finally, the QFs that are subject to section 205 must provide the Commission with change of status notifications.

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

The information filed under FERC-914 enables the Commission to exercise its electric oversight and enforcement responsibilities in accordance with the FPA, as revised by EAct 2005. It also allows Commission staff and other parties to examine and evaluate the cost element of rates (as well as other financial information).

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

The Commission makes ongoing efforts to apply improved information technology to reduce the burden related to this information collection. Most documents may be filed electronically with the Commission via the Internet (e.g. via eFiling, eForms, eTariff). These efforts are part of Commission compliance with the Paperwork Reduction Act, the Government Paperwork Elimination Act, and the E-Government Act of 2002.

By issuing Order No. 714 in 2008, the Commission revised its regulations to require electronic filing of all tariffs, tariff revisions and rate change applications by, among others, public utilities, starting in April 2010.

FERC-914 data can be embedded within the XML schema of the new eTariff system. Off-the-shelf software and computers provide all eTariff filers with what they need to prepare the data and submit it within an XML schema. New FERC-914 filers must only request and obtain a Company ID from the Commission to login and use the eTariff system for submitting their data. The Commission provides an eTariff viewer and the eLibrary interface so all filed tariff materials can be viewed over the Internet by interested parties. Filings in eTariff are also available through the Commission's document storage system, eLibrary. The latter is also easily accessible through the Internet. Providing FERC-914 filers with the eTariff system for submitting information has reduced physical storage space needs and document processing time. It has also

provided easier tracking of document filing activity and reduced mailing and courier fees.

The eTariff system allows concurrent access to FERC-914 tariff filings by multiple parties as well as the ability to download and print tariff filings. It automatically sends filers an email indicating their filing has arrived at the Commission and of its acceptance.

All FERC-914 filings are also available electronically in the Commission's eLibrary system.

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 published a notice in the Federal Register to help identify any duplication of the information in FERC-914. The Commission received no comments regarding this collection. No similar information can be used or modified. There are no other Federal agencies responsible for addressing the operations of the cogeneration and/or the small power production facility which makes the filing on behalf of its customers as reflected in the related tariff.

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

The Commission minimized burden imposed upon all companies that file the FERC-914 by using a collaborative process to adopt eTariff and permitting a transition period for implementation of eTariff. Additionally, the Commission attempts to impose the least burden possible upon respondents in any requirements for data and any requisite filings made.

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

For FERC-914 data, there is no set filing cycle. Once a qualifying cogeneration facility or small power producer submits an initial filing, the Commission requires additional filings only when a change of the tariff is necessary. There is also no substantial relationship between the collection frequency of FERC-914 data and the efficacy of the information collection.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION

There are no special circumstances related to this collection.

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

In accordance with OMB requirements³, the Commission published a 60-day notice⁴ and a 30-day notice⁵ to the public regarding this information collection on 8/4/2015 and 10/21/2015 respectively. In the public notices, 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. No comments were received.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to FERC-914 respondents.

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

The Commission does not consider the information collected in FERC-914 filings to be confidential. However, the filer may request privileged treatment of a filing that may contain information harmful to the competitive posture of the applicant if released to the general public.⁶

**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**

There are no questions of sensitive nature in the information collection.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

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

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³ 5 CFR 1320.8(d)

⁴ 80 FR 46257

⁵ 80 FR 63759

⁶ 18 CFR 388.112

	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden & Cost Per Response ⁷ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
FPA Section 205 Filings	35	1	35	183 hrs.; \$13,176	6,405 hrs.; \$461,160	\$13,176
Electric Quarterly Reports (initial)	0	0	0	230 hrs.; \$16,560	0 hrs.; \$0	\$0
Electric Quarterly Reports (later)	35	4	140	6 hrs.; \$432	840 hrs.; \$60,480	\$1,728
Change of Status	10	1	10	3 hrs.; \$216	30 hrs.; \$2,160	\$216
TOTAL			185		7,725 hrs.; \$523,800	\$15,120

13. ESTIMATE OF TOTAL ANNUAL COST OF BURDEN TO RESPONDENTS

The eTariff system became operational in 2010. Since then, all public utilities, natural gas pipelines, oil pipelines and power marketing authorities have been required to file tariffs, tariff revisions and rate change applications electronically using an xml schema through eTariff. There have been no changes to using the eTariff process since start up and no changes are planned at this time during the upcoming 2015-2018 reporting period for the FERC-914. Therefore, projections are there will be no start up and maintenance costs for new respondents using the eTariff system to file FERC-914 tariffs, tariff revisions and rate change applications. Our experience shows that most of the new facilities that would be required to file FERC-914 are affiliated with electric utilities that are already filing in eTariff.

FERC-914 respondents incur the costs related to the time and expertise it takes to prepare the contents of FERC 914 filings (i.e. tariffs, tariff revisions, and rate changes). Depending on the filer, there may be costs, such as legal costs or eTariff filing costs, associated with preparing the tariff filings.

There are no non-labor start-up costs. All costs are related to burden hours and are addressed in Questions #12 and #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL

⁷ The estimates for cost per response are derived using the following formula: Average Burden Hours per Response * \$72.00 per Hour = Average Cost per Response. The hourly cost figure comes from the FERC average salary plus benefits of \$149,489/year (or \$72/hour). That figure is being used because the staff thinks industry is similarly situated in terms of average hourly cost..

GOVERNMENT

	Number of Employees (FTEs)	Estimated Annual Federal Cost
PRA ⁸ Administration Cost ⁹	-	\$5,193
Data Processing and Analysis	1.6	\$239,182
FERC Total		\$244,375

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 requirements within FERC-914 did not change. However, since the Commission revised its regulations to require electronic filing, the Commission has more recently been able to improve data collection and tracking systems in order to more accurately track the number of cogenerators and small power producers (i.e. any respondent of the FERC-914). Due to the improvement of more accurate data tracking systems, the Commission has been able to estimate that there is a larger number of respondents than estimated previously in FERC-914. Thus, the number of respondents increased from 100 to 185. Additionally, previous burden estimates assumed that all respondents filed Electronic Quarterly Reports (EQR) for initial or new facilities. On average, respondents file EQRs four times each year because they are typically existing facilities. Thus, the Commission estimated that the majority of the respondents would file four EQRs rather than three each year. Further, respondents do not typically file notices of change in status unless the respondent is either acquired by a new owner or increases its generation capacity by 100 megawatts or more. The Commission estimates that a quarter of respondents may make a change in status filing per year, but not all respondents will have changes to report each year. As such, a reduction in burden per response was observed. The result is an increase in the number of responses (100 to 185) accompanied by a decrease in overall reporting burden for the collection (9,300 to 7,725).

The following table shows the total burden of the collection of information. The format, labels, and definitions of the table follow the ROCIS submission system’s “Information Collection Request Summary of Burden” for the metadata.

FERC-914	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
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⁸ Paperwork Reduction Act of 1995 (PRA).

⁹ The PRA Administration Cost is \$5,193, and includes preparing supporting statements, notices, and other activities associated with Paperwork Reduction Act compliance.

Annual Number of Responses	185	100	+85	0
Annual Time Burden (Hr)	7,725	9,300	-1,575	0
Annual Cost Burden (\$)	0	0	0	0

The format, labels, and definitions of the table above follow the ROCIS system’s “ICR Summary of Burden” for the meta-data.

The requirements within FERC-914 did not change. Thus, there is no substantive change in burden from the last date of submittal.

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

The OMB expiration dates are posted on <http://www.ferc.gov/docs-filing/info-collections.asp> .

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.