

Supporting Statement for
**FERC-567, Gas Pipeline Certificates: Annual Reports of System Flow Diagrams
and System Capacity**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC-567, Gas Pipeline Certificates: Annual Reports of System Flow Diagrams and System Capacity**, for a three year period. FERC-567 (OMB Control No. 1902-0005) is an existing Commission data collection as stated by 18 Code of Federal Regulations (CFR), Part 260.8. There are no changes to the reporting requirements.

The Commission estimates that the annual reporting burden for FERC-567 will be 279 hours (an average of 3 hours per respondent).

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

Under the Natural Gas Act (NGA)¹, the Commission is authorized to make investigations and to collect and record data, to the extent the Commission may deem necessary or useful for the purpose of carrying out the provisions of the NGA.

- Section 7 authorizes the Commission to process certificate applications and to analyze impacts of market expansions of new facilities.
- Section 10(a) authorizes the Commission to collect special reports from natural gas companies.
- Section 16 provides the Commission administrative power to establish rules, regulations, and orders.

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

The Commission uses the information collected under the requirements of the FERC-567 to obtain accurate data on pipeline facilities. More specifically, the Commission utilizes the FERC-567 to validate the need for new facilities proposed by pipelines in certificate applications. By modeling a pipeline applicant's system, Commission staff utilizes the FERC-567 data to determine configuration/location of installed pipeline facilities, and

¹ Public Law 75-688

verify and determine the receipt and delivery points between shippers, producers and pipeline companies. Additionally, the Commission uses the FERC-567 to determine the location of receipt and delivery points and emergency interconnections on a pipeline system, determine the location of pipeline segments, laterals and compressor stations on a pipeline system, verify pipeline segment lengths and pipeline diameters, justify the maximum allowable operating pressures and suction and discharge pressures at compressor stations, verify the installed horsepower and volumes compressed at each compressor station, determine the existing shippers and producers currently using each pipeline company, and develop and evaluate alternatives to proposed facilities as a means to mitigate environmental impact of new pipeline construction.

18 CFR 260.8 requires each major natural gas² pipeline to file five (5) copies of a diagram or diagrams reflecting operating conditions on the pipeline's main transmission system³ with the Commission by June 1st of each year. However, these reports may be submitted by eFiling. If that option is selected by the respondent, there is no requirement for any paper copies.

These data are physical/engineering data not included as part of any other data collection requirement.

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

The Commission continues to expand the list of filing types that may be submitted electronically (as described at <http://www.ferc.gov/docs-filing/efiling/filing.pdf>). The FERC-567 (usually with a security level of Critical Energy Infrastructure Information [CEII]) may be submitted electronically through the FERC's eFiling system.

As stated previously, 18 CFR 260.8 requires each major natural gas⁴ pipeline to file five (5) copies of a diagram or diagrams reflecting operating conditions on the pipeline's main transmission system⁵ with the Commission by June 1st of each year. However, these reports may be submitted by eFiling. If that option is selected by the respondent, there is no requirement for any paper copies.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW

2 A pipeline having a system delivery capacity exceeding 100,000 Mcf per day.

3 For the prior 12 months ending December 31

4 A pipeline having a system delivery capacity exceeding 100,000 Mcf per day.

5 For the prior 12 months ending December 31

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.

The Commission is unaware of any other source of information similar to the additional requirements.

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

Respondents within the FERC-567 consists of 17 small entities⁶. All of those small entities have the option of filing electronically through the eFiling interface as a means of reducing their incurred burden. This is how the Commission attempts to minimize the burden of FERC-567 upon small entities. However, eFiling is a means of submission available to all respondents with no regard to size.

The burden will vary among applicants since the information should be specific for each applicant and site.

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

The consequence of not collecting or collecting this information less frequently would be the Commission's inability to fulfill its statutory mandates under the NGA and its Rules of Practice and Procedure. The Commission uses system flow diagrams for regulatory purposes in connection with processing applications filed by interstate pipelines under Sections 7(a), 7(b), and 7(c) of the NGA. Various investigations and pipeline operations use this information in order to show interconnections with other pipelines, locations of gas supply sources, and the flow of gas and interconnections with customers' facilities.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

⁶ The Small Business Administration defines "small" natural gas pipelines as any pipeline whose annual receipts are less than \$25.5 million/per year. The Commission uses the SBA definition to account for "small" entities here. For more information on the definition of "small" entities, please go to http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf

If a FERC-567 respondent opts to respond electronically, the requirements of 5 CFR 1320.5 are met. However, if an applicant opts not to file electronically, they would have to submit five (5) copies per 18 CFR 260.8. While the Commission encourages applicants to submit their filings electronically, this is the applicant's option.

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

In accordance with OMB requirements⁷, the Commission published a 60-day notice and a 30-day notice to the public regarding this information collection on 4/10/2015 and 6/22/2015 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. No comments were received.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

No payments or gifts have been made to respondents.

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

The Commission classified the FERC-567 data (filed under 18 CFR 260.8) within the definition of CEII and, thus, public access to this data is limited.

Shortly after the terrorist attacks on 9/11/2001, the Commission began specifically outlining CEII. First, the Commission removed documents (such as oversized maps) that were likely to contain detailed specifications of facilities from its public files and Internet pages. Then, the Commission directed the public to use the Freedom of Information Act (FOIA) request process to obtain this type of information. The Commission maintains a continuing commitment to protect information regarding critical energy infrastructure by evaluating the effectiveness of the CEII regulations and to making necessary changes. Since 2001, the Commission refined several of its CEII regulations addressing both entities submitting CEII materials and requesters seeking access to CEII materials. (Additional information on FERC's CEII program and related landmark orders is available at <http://www.ferc.gov/legal/maj-ord-reg/land-docs/ceii-rule.asp> .)

⁷ 5 CFR 1320.8(d)

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

The Commission does not consider any of the questions within the FERC-567 of a sensitive nature that would be considered private. However, the Commission considers the FERC-567 information as sensitive to the nation’s energy infrastructure because the data contains location and operational data on the nation’s natural gas pipelines. Therefore, the FERC-567 information is classified as CEII (described in greater depth within Question #10).

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The following table represents this current burden request in ICR No. 201507-1902-006 and this supporting statement:

FERC-567: Gas Pipeline Certificates: Annual Reports of System Flow Diagrams and System Capacity						
	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hours & Cost Per Response⁸ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
FERC-567 Applicants	93	1	93	3 \$ 216	279 \$ 20,088	\$ 216

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up nor other non-labor costs. All costs are related to burden hours and are addressed in Question #12 and Question #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

⁸ The estimates for cost per response are derived using the following formula: Average Burden Hours per Response * \$72 per Hour = Average Cost per Response. The hourly cost figure comes from the FERC average salary. Subject matter experts found that industry employment costs closely resemble FERC’s regarding the FERC-567 information collection.

	Number of Hours or FTE's	Estimated Annual Federal Cost (\$)⁹
PRA ¹⁰ Administration Cost ¹¹	-	\$ 5,193
Data Processing and Analysis	0.5	\$74,745
FERC Total	-	\$79,938

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

The currently approved information collection burden is displayed in the following table:

FERC-567: Gas Pipeline Certificates: Annual Reports System Flow Diagrams and System Capacity					
	Number of Respondents (A)	Number of Responses Per Respondent (B)	Total Number of Responses (A)x(B)=(C)	Average Burden Hours per Response (D)	Estimated Total Annual Burden (C)x(D)
Natural Gas Pipelines	103	1	103	55	5,665

The Commission estimates the annual public reporting burden for the information collection as:

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9 Based on 2015 cost (salary plus benefits) per FTE of \$149,489 for 1 year (or 2,080 hours), rounded to \$72.00 per hour.

10 Paperwork Reduction Act of 1995 (PRA).

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

	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hours & Cost Per Response ¹² (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
FERC-567 Applicants	93	1	93	3 \$ 216	279 \$ 20,088	\$ 216

FERC-567	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	93	103	-10	0
Annual Time Burden (Hr)	279	5,665	-5,386	0
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

After reviewing the FERC-567 information collection, FERC staff updated the burden hours to reflect the increased use of technology which makes copying, printing and distributing the engineering diagrams easier and quicker. The increased usage of technology significantly reduced the burden hours associated with the collection. Additionally, the number of respondents decreased from 103 to 93 due to normal fluctuation in the activity concerning gas pipelines.

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

There is no data published as a result of this collection.

17. DISPLAY OF THE EXPIRATION DATE

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

¹² The estimates for cost per response are derived using the following formula: Average Burden Hours per Response * \$72 per Hour = Average Cost per Response. The hourly cost figure comes from the FERC average salary. Subject matter experts found that industry employment costs closely resemble FERC's regarding the FERC-567 information collection.

FERC-567
(OMB Control No. 1902-0005)

The expiration date is not displayed upon the FERC-567 since there is no form associated with the information collection.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.