

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

(Docket No. RD16-4-000)

PROPOSED AGENCY INFORMATION COLLECTION

(April 26, 2016)

AGENCY: Federal Energy Regulatory Commission

ACTION: Notice and Request for Comments

SUMMARY: The Federal Energy Regulatory Commission (Commission) invites public comment in Docket No. RD16-4-000 on a proposed change to a collection of information (FERC-725M) that the Commission is developing for submission to the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Comments regarding this proposed information collection must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION OF THIS NOTICE IN THE FEDERAL REGISTER]**.

ADDRESSES: Comments, identified by docket number, may be filed in the following ways:

- Electronic Filing through <http://www.ferc.gov>. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format.
- Mail/Hand Delivery: Those unable to file electronically may mail or hand-deliver an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

FOR FURTHER INFORMATION: Ellen Brown may be reached by e-mail at DataClearance@FERC.gov, telephone at (202) 502-8663, and fax at (202) 273-0873.

SUPPLEMENTARY INFORMATION: The Commission will submit the reporting and recordkeeping requirements of proposed Reliability Standard FAC-003-4 (Transmission Vegetation Management) to OMB for review. Proposed Reliability Standard FAC-003-4 replaces the requirements from the previous version of the Reliability Standard (FAC-003-3¹), which is approved under FERC-725M (Mandatory Reliability Standards: Generator Requirements at the Transmission Interface, OMB Control No. 1902-0263).

Type of Request: Three-year approval of the revised FERC-725M information collection requirements with the stated changes to the current reporting and record retention requirements.

Abstract: The Commission requires the information collected by the FERC-725M to

¹ Reliability Standard FAC-003-3 was approved in Order No. 785 in Docket No. RM12-16-000. *Revisions to Reliability Standard for Transmission Vegetation Management*, Order No. 777, 142 FERC ¶ 61,208 (2013). The associated reporting and recordkeeping requirements in FAC-003-3 were approved by OMB on Dec. 17, 2013, under FERC-725M.

implement the statutory provisions of section 215 of the Federal Power Act (FPA).² On August 8, 2005, Congress enacted into law the Electricity Modernization Act of 2005, which is Title XII, Subtitle A, of the Energy Policy Act of 2005 (EPAcT 2005).³ EPAcT 2005 added a new section 215 to the FPA, which requires a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO subject to Commission oversight, or the Commission can independently enforce Reliability Standards.⁴

On February 3, 2006, the Commission issued Order No. 672, implementing section 215 of the FPA.⁵ Pursuant to Order No. 672, the Commission certified one organization, the North American Electric Reliability Corporation (NERC), as the ERO.⁶ The Reliability Standards developed by the ERO and approved by the Commission apply to users, owners and operators of the Bulk-Power System as set forth in each Reliability Standard.

On March 14, 2016, NERC filed a petition for Commission approval of proposed Reliability Standard FAC-003-4 (Transmission Vegetation Management). NERC states in its petition that proposed Reliability Standard FAC-003-4 reflects revisions to the current

² 16 U.S.C. 824o (2012).

³ Energy Policy Act of 2005, Pub. L. No. 109-58, Title XII, Subtitle A, 119 Stat. 594, 941 (codified at 16 U.S.C. 824o).

⁴ 16 U.S.C. 824o(e)(3).

⁵ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards*, Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh'g*, Order No. 672-A, FERC Stats. & Regs. ¶ 31,212 (2006).

⁶ *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh'g and compliance*, 117 FERC ¶ 61,126 (2006), *order on compliance*, 118 FERC ¶ 61,190, *order on reh'g*, 119 FERC ¶ 61,046 (2007), *aff'd sub nom. Alcoa Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

Minimum Vegetation Clearance Distances (MVCDs) in Reliability Standard FAC-003-3 based on additional testing regarding the appropriate gap factor to be used to calculate clearance distances for vegetation. NERC explains that in response to the Commission's directive as part of its approval of an earlier version of the Reliability Standard, FAC-003-2, NERC contracted with the Electric Power Research Institute (EPRI) to conduct this testing.⁷ As NERC notes, when the Commission approved Reliability Standard FAC-003-2, the Commission stated that "it is important that NERC develop empirical evidence that either confirms assumptions used in calculating the MVCD values based on the Gallet equation, or gives reason to revisit the Reliability Standard."⁸

NERC states in its petition that preliminary testing conducted by EPRI indicated that the gap factor used to calculate MVCDs should be adjusted. NERC further explains that proposed Reliability Standard FAC-003-4 proposes higher and more conservative MVCD values, and therefore maintains that these revisions will "enhance reliability and provide additional confidence by applying a more conservative approach to determining the vegetation clearing distances."⁹ NERC states that the revised clearances as reflected in Table 2 were moved into the text of the proposed Reliability Standard, and that MVCD values were added for elevations up to 15,000 feet, but that no other substantive changes were made to the currently-effective Reliability Standard FAC-003-3.¹⁰

Type of Respondents: Transmission Owner (TO); and Generator Owner (GO)

⁷ NERC Petition at 7 (citing Order No. 777, 142 FERC ¶ 61,208 (2013)).

⁸ Order No. 777, 142 FERC ¶ 61,208 at P 3.

⁹ NERC Petition at 3.

¹⁰ *Id.* at 12, and n. 37 (describing certain non-substantive edits to the standard and implementation plan as compared to the currently-effective version of the standard).

*Estimate of Annual Burden.*¹¹ The burden and cost estimates below are based on the number of transmission owners and generator owners as reflected in NERC's current registry (*i.e.*, updated since the Commission's approval of earlier versions of FAC-003).

Transmission owners and applicable generator owners have a one-time burden to review and modify existing documentation, plans and procedures, as well as an ongoing burden to retain records. Our estimate of the number of respondents affected is based on the NERC Compliance Registry as of February 25, 2016. According to the Compliance Registry, NERC has registered 320 transmission owners and 940 generator owners within the United States, and we estimate that approximately 10 percent (or 94) of the registered generator owners have interconnection facilities that meet the requirements for applicability under the new standard. The estimated annual burden and cost of the new standard follow.¹²

11 The Commission defines burden as the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a federal agency. See 5 CFR 1320 for additional information on the definition of information collection burden.

12 The estimates for cost per hour (for salary plus benefits) are derived from the Bureau of Labor and Statistics' figures for May 2015 (at http://www.bls.gov/oes/current/naics2_22.htm#11-0000 and benefits [updated March 10, 2016] at <http://www.bls.gov/news.release/ecec.nr0.htm>), as follows:

- \$62.16/hour for salary plus benefits [based on the average for an electrical engineer (code 17-2071, at \$64.20/hour), a first-line supervisor of forestry workers (code 45-1011, at \$33.34/hour), and a manager (code 11-0000, at \$88.94/hour)]
- \$31.76/hour, salary plus benefits for an information and record clerk (code 43-4000).

FERC-725M, changes due to FAC-003-4 in Docket No. RD16-4-000						
Requirements /Measures <small>13</small>	Number of Respondents <small>14</small> (1)	Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hrs. and Cost per Response (4)	Total Annual Burden Hrs. and Cost (3)*(4)=(5)	Total Annual Cost per Respondent (6)
Strategies, documentation, processes, & procedures (M3) [one-time]	414	1	414	4 hrs.; \$248.64	1,656 hrs.; \$102,936.96 [@\$62.16/hr.]	\$248.64
Record Retention (Compliance 1.2) [ongoing]	414	1	414	1 hr.; \$31.76	414 hrs.; \$13,148.64 [@\$31.76/hr.]	\$31.76
Total Net Change, due to RD16-4			828		2,070 hrs.; \$116,085.60	

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹³The Order in Docket No. RD16-4 does not modify the following requirements. However, due to normal fluctuations in industry, the number of respondents (TOs and GOs), in the submittal to OMB will be updated as follows.

- The Quarterly Reporting (Compliance 1.4) is required of 102 respondents (94 GOs and 8 Regional Entities), rather than 96 respondents.
- The requirements for Annual Vegetation Inspection Document (M6), annual vegetation work plan (M7), evidence of management of vegetation (M1 and M2), confirmed vegetation condition (M4), and corrective action (M5) are required of 94 respondents (rather than 88).

¹⁴ We estimate a total of 414 respondents (320 TOs and 94 GOs) are affected.