

Supporting Statement for
FERC-920, Electric Quarterly Report (EQR)
(In Clarification Order in Docket No. RM10-12-000, Issued 6/16/2016)

The Federal Energy Regulatory Commission (Commission or FERC) requests Office of Management and Budget (OMB) review and approval of FERC-920, Electric Quarterly Report (EQR), as clarified in the Order in Docket No. RM10-12.¹

The e-Tag ID requirement was initially imposed, then put on hold (and never imposed on industry). Because the fields associated with reporting e-Tag ID information in the EQR were formally removed in this clarifying order on 6/16/2016, we are now submitting a request to remove the burden (program decrease) associated with e-Tag ID (included in the FERC inventory since Order No. 768 in 2012). No other substantive changes are being made to the FERC-920; FERC is simply adjusting the burden inventory here to remove the burden associated with reporting e-Tag ID information in the EQR.

Background, related to e-Tag ID in FERC-920.

The burden and cost estimates specified in the Final Rule in Docket No. RM10-12² included the burden and cost estimates for public utilities and certain non-public utilities to report, among other things, e-Tag ID³ information in the EQR database. In particular, the Final Rule in Docket No. RM10-12 required that filers submit e-Tag IDs for each transaction reported in the EQR if an e-Tag was used to schedule the transaction. On February 8, 2013, the Commission issued an order⁴ partially granting an extension of time so that EQR filers need not include e-Tag ID information in EQRs beginning in the third quarter of 2013. The extension was intended to allow the Commission more time to fully assess the benefits and burdens associated with e-Tag ID information. In an order issued on February 6, 2015,⁵ in Docket No. RM10-12-002, the Commission granted rehearing with respect to the e-Tag ID reporting requirement, concluding that the initial and ongoing compliance burdens and costs associated with reporting e-Tag ID information may be significantly higher than the Commission's estimates included in the Final Rule. The Commission granted rehearing with respect to reporting e-Tag ID information and, therefore, did not require that EQR filers submit e-Tag IDs for each transaction reported in the EQR if an e-Tag was used to schedule the transaction.

In this clarifying order (issued 6/16/2016), the Commission stated that [footnotes omitted]:

1 The Order clarifying the requirements is posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14277864>.

2 Order 768, issued 9/21/2012, is posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13069358>.

3 E-Tags are used to schedule physical interchange transactions and contain information about, among other things, where the power is sourced and delivered. The e-Tag ID is a subset of information associated with the e-Tag that contains specific components of the e-Tag.

4 <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13175922>

5 <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13766444>

In Order No. 768-B, the Commission rescinded the requirement for EQR filers to submit e-Tag ID data for each transaction reported in the EQR if an e-Tag was used to schedule the transaction. Accordingly, we will delete the fields related to the e-Tag ID reporting requirement (i.e., Field Numbers 75 through 78) from the EQR Data Dictionary.

The industry burden and cost associated with reporting eTag ID information had been included in the OMB-approved inventory, and is being removed in this supporting statement.

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The Commission set forth the EQR filing requirements in Order No. 2001 (Docket No. RM01-8-000, issued April 25, 2002, at http://elibrary.ferc.gov/idmws/search/intermediate.asp?link_file=yes&doclist=2270047). Order No. 2001 required public utilities to electronically file EQRs summarizing transaction information for short-term and long-term cost-based sales and market-based rate sales and the contractual terms and conditions in their agreements for all jurisdictional services.⁶ The Commission established the EQR reporting requirements to help ensure the collection of information needed to perform its regulatory functions over transmission and sales, while making data more useful to the public and allowing public utilities to better fulfill their responsibility under FPA section 205(c) to have rates on file in a convenient form and place. As noted in Order No. 2001, the EQR data is designed to “provide greater price transparency, promote competition, enhance confidence in the fairness of the markets, and provide a better means to detect and discourage discriminatory practices.”

Since issuing Order No. 2001, the Commission has provided guidance and refined the reporting requirements, as necessary, to simplify the filing requirements and to reflect changes in the Commission’s rules and regulations. For instance, in 2007, the Commission adopted an Electric Quarterly Report Data Dictionary, which provides in one document the definitions of certain

⁶ *Revised Public Utility Filing Requirements*, Order No. 2001, 67 FR 31043 (May 8, 2002), FERC Stats. & Regs. ¶ 31,127, *reh’g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh’g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334, *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003), *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004), *order revising filing requirements*, Order No. 2001-G, 72 FR 56735 (Oct. 4, 2007), 120 FERC ¶ 61,270, *order on reh’g and clarification*, Order No. 2001-H, 73 FR 1876 (Jan. 10, 2008), 121 FERC ¶ 61,289 (2007), *order revising filing requirements*, Order No. 2001-I, 73 FR 65526 (Nov. 4, 2008), 125 FERC ¶ 61,103 (2008).

terms and values used in filing EQR data.⁷ Moreover, in 2007, the Commission required transmission capacity reassignment to be reported in the EQR.⁸

In EPart 2005, Congress added section 220 to the FPA, directing the Commission to “facilitate price transparency in markets for the sale and transmission of electric energy in interstate commerce” with “due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.” FPA section 220 grants the Commission authority to obtain and disseminate “information about the availability and prices of wholesale electric energy and transmission service to the Commission, State commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public.” The statute specifies that the Commission may obtain this information from “any market participant,” except for entities with a *de minimis* market presence.

FERC issued regulations to make reforms in open access electric transmission service and to consider a more general review of competition in wholesale electricity markets. As a result of these efforts, the Commission issued:

- Order No. 890, to exercise FERC’s remedial authority “to limit further opportunities for undue discrimination, by minimizing areas of discretion, addressing ambiguities and clarifying various aspects of the pro forma [Open Access Transmission Tariff].”⁹
- Order No. 719, “to improve the operation [and competitiveness] of organized wholesale electric power markets” in connection with “fulfilling its statutory mandate to ensure supplies of electric energy at just, reasonable and not unduly discriminatory or preferential rates.”¹⁰

Although these Orders improved transparency in wholesale markets in a number of ways, the Commission believed the revisions in the order in RM10-12 were necessary to facilitate price transparency in wholesale electricity markets, promote competition, instill confidence in the fairness of the markets, and provide a better means to detect and discourage discriminatory and manipulative practices.

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

⁷ See, e.g., *Revised Public Utility Filing Requirements for Electric Quarterly Reports*, 124 FERC ¶ 61,244 (2008) (providing guidance on the filing of information on transmission capacity reassignments in EQRs); *Notice of Electric Quarterly Reports Technical Conference*, 73 FR 2477 (Jan. 15, 2008) (announcing a technical conference to discuss changes associated with the EQR Data Dictionary).

⁸ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 72 FR 12266 (Mar. 15, 2007), FERC Stats. & Regs. ¶ 31,241, at P 817, *order on reh’g*, Order No. 890-A, 73 FR 2984 (Jan. 16, 2008), FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh’g and clarification*, Order No. 890-B, 73 FR 39092 (July 8, 2008), 123 FERC ¶ 61,299 (2008), *order on reh’g*, Order No. 890-C, 74 FR 12540 (March 25, 2009), 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 74 FR 61511 (Nov. 25, 2009), 129 FERC ¶ 61,126.

⁹ Order No. 890, FERC Stats. & Regs. ¶ 31,241 at P 40.

¹⁰ *Wholesale Competition in Regions with Organized Electric Markets*, Order No. 719, 73 FR 64100 (Oct. 28, 2008), FERC Stats. & Regs. ¶ 31,281 (2008), *order on reh’g*, Order No. 719-A, 74 FR 37776 (July 29, 2009), FERC Stats. & Regs. ¶ 31,292, *order on reh’g and clarification*, Order No. 719-B, 129 FERC ¶ 61,252 (2009).

EQR information allows the public to assess supply and demand fundamentals and to price interstate wholesale market transactions. This in turn results in greater market confidence, lower transaction costs, and ultimately supports competitive markets. In addition, the data filed in the EQR strengthens the Commission's ability to exercise its wholesale electric rate and electric power transmission oversight and enforcement responsibilities in accordance with the Federal Power Act. Without this information, the Commission would lack some of the data it needs to examine and approve or modify electric rates. FERC is also authorized as appropriate to employ enforcement proceedings when violations occur.

FERC-920 EQR allows the Commission and the public to gain a more complete picture of interstate wholesale electric power and transmission markets by providing additional information concerning price formation and market concentration in these electric markets. Public access to additional sales and transmission-related information in the EQR improves market participants' ability to assess supply and demand fundamentals and to price interstate wholesale electric market transactions. It also strengthens the Commission's ability to identify potential exercises of market power or manipulation and to better evaluate the competitiveness of interstate wholesale electric markets.

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

Order No. 2001 (issued 4/25/2002) required "public utilities to electronically file Electric Quarterly Reports..." Electronically filed EQRs improved the efficiency, convenience, and overall management of the filing process, facilitated public access to wholesale contract information, and reduced the industry's burden and expense associated with reporting and reviewing electric transactions.

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.

Filing requirements are periodically reviewed as OMB review dates arise or as the Commission may deem necessary in carrying out its regulatory responsibilities under the Act in an effort to alleviate duplication and to minimize burden. As discussed in the rule, we have reviewed existing resources, and we believe that the additional information that will be required is not available through existing sources and is necessary to provide a complete picture of price formation in interstate wholesale electric power and transmission markets.

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

For non-public utilities, the Commission will exempt under the *de minimis* market presence threshold non-public utilities that make 4,000,000 MWh or less of annual wholesale sales (based on an average of the wholesale sales it made in the preceding three years). This *de minimis* threshold will exclude small non-public utilities. In addition, we believe that the burden of complying decreases the smaller the filer is because it will have less information to report. Furthermore, we note that companies may request, on an individual basis, waiver from the EQR reporting requirements.

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

If the collection were conducted less frequently, the Commission would be unable to perform its mandated oversight and review responsibilities with respect to electric rates. Further, less frequent collection would not obviate the Commission's statutory obligation to collect this information.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

There are no special circumstances.

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

This supporting statement only deals with removing the burden of the e-Tag ID requirement which is being deleted.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not provide compensation or remuneration to entities subject to its jurisdiction.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

Generally, the Commission does not consider this information to be confidential. If an entity chooses to seek confidential treatment of the information, they must submit a request for the

Commission to treat this information as confidential and non-public, consistent with 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.

There are no questions of a sensitive nature.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The burden and cost estimates specified in the Final Rule in Docket No. RM10-12 included the burden and cost estimates for public utilities and certain non-public utilities to report, among other things, e-Tag ID information in the EQR database. In particular, the Final Rule in Docket No. RM10-12 required that filers submit e-Tag IDs for each transaction reported in the EQR if an e-Tag was used to schedule the transaction. On February 8, 2013, the Commission issued an order partially granting an extension of time so that EQR filers need not include e-Tag ID information in EQRs beginning in the third quarter of 2013. The extension was intended to allow the Commission more time to fully assess the benefits and burdens associated with e-Tag ID information. In an order issued on February 6, 2015, in Docket No. RM10-12-002, the Commission granted rehearing with respect to the e-Tag ID reporting requirement, concluding that the initial and ongoing compliance burdens and costs associated with reporting e-Tag ID information may be significantly higher than the Commission's estimates included in the Final Rule. The Commission granted rehearing with respect to reporting e-Tag ID information and, therefore, did not require that EQR filers submit e-Tag IDs for each transaction reported in the EQR if an e-Tag was used to schedule the transaction.

We estimate that reporting e-Tag ID information in the EQR constituted approximately 10 percent of the implementation and recurring burden hours included in the Final Rule in RM10-12. Thus, we are hereby reducing (program decrease) the burden hours in the Final Rule in Docket RM10-12 by 10 percent for the affected entities, which lowers the implementation and recurring costs by a commensurate amount. Those hours related to e-Tag ID have been carried in the FERC burden inventory since 2012-2013, despite the requirement being on hold during the period; the hours are being removed to reflect the removal of the e-Tag ID requirement.

We provide two tables to clarify the numbers.

- The following table (from the Final Rule in RM10-12-000 [issued 9/21/2012] and the corresponding supporting statement updated 2/4/2013) is corrected to show what would have been the burden and cost¹¹ absent the eTag ID burden, which was never imposed.

¹¹ The hourly cost estimates used here are the same as those submitted with the original Final Rule in RM10-12, in order

- The table below it shows the changes (program decrease) requested in this instant supporting statement and implemented in the Clarifying Order issued 6/16/2016.

FERC-920 Burden & Cost Changes (Rounded) Made In Final Rule In RM10-12 (Issued 9/21/2012), As Corrected To Reflect The Never Imposed e-Tag Requirement Which Was Removed In The Clarifying Order Issued 6/16/2016								
	No. of Respondents	No. of Responses per Respondent per Year	Estimated Additional Implementing (One-time) Burden per Respondent		Estimated Additional Recurring Burden per Response		Estimated Additional Average Annual Burden Per Respondent (implementation averaged over Years 1-3)	
			Burden Hours	Cost (\$)	Burden Hours	Cost (\$)	Burden Hours	Cost (\$)
Current Public Utility Filers								
Companies within non-California RTO, and large cos. within Cal. RTO	405	4	216.00 [90% of former estimate of 240]	\$15,494.00 [216 hrs.x \$71.73/hr.]	14.40 [90% of former estimate of 16]	\$746.35 [14.4 hrs.x \$51.83/hr.]	129.60 [90% of former estimate of 144]	\$ 8,138.90 [129.6 x \$62.80/hr.]
Medium/small companies within Cal. RTO	20	4	216.00 [90% of former estimate of 240]	\$15,494.00 [216 hrs.x \$71.73/hr.]	14.40 [90% of former estimate of 16]	\$746.35 [14.4 hrs.x \$51.83/hr.]	129.60 [90% of former estimate of 144]	\$ 8,138.90 [129.6 x \$62.80/hr.]
Companies not within RTO	663	4	216.00 [90% of former estimate of 240]	\$15,494.00 [216 hrs.x \$71.73/hr.]	14.40 [90% of former estimate of 16]	\$746.35 [14.4 hrs.x \$51.83/hr.]	129.60 [90% of former estimate of 144]	\$ 8,138.90 [129.6 x \$62.80/hr.]

to reflect the original rate for those years: The estimates of the additional one-time implementation cost and recurring cost are provided in the table. The Commission staff has estimated the implementation cost using the following professionals, hourly costs, and the estimated percent of implementation time:

- legal staff (at \$250/hour), 10% of the implementation time
- senior accountant (at \$51.38/hr.), financial analyst (at \$68.12/hr.), and/or support staff (at \$35.99/hr.), averaged at \$51.83/hr., 10 percent of the implementation time, and 100 percent of the recurring burden
- information technology analyst (at \$57.24/hour), 60 percent of the implementation time support staff (at \$35.99/hr.), 20 percent of the implementation time.

Hourly average wage is an average and was calculated using Bureau of Labor Statistics (BLS), Occupational Employment Statistics data for May 2011 (for NAICS 221100 - Electric Power Generation, Transmission and Distribution, at http://bls.gov/oes/current/naics4_221100.htm#00-0000) for the senior accountant, financial analyst, information technology analyst, and support staff. The average hourly figure for legal staff is a composite from BLS and other resources, taking into account the hourly cost for both in-house and contractor organizations.

Companies with no transactions¹²	695	4	1.00	\$71.73	0.00	\$0.00	0.33	\$23.91
New Non-Public Utility Filers								
Non-Public Utility, with >4 million MWH wholesale sales per yr.	53	4	360.00 [90% of former estimate of 400]	\$25,823.00 [360 hrs.x \$71.73/hr.]	17.00 [90% of former estimate of 19]	\$881.11 [17 hrs. x \$51.83/hr.]	188 [90% of former estimate of 209.33]	\$12,126 [188 x \$64.50]

The total updated ‘Estimated Additional Average Annual Burden (implementation averaged over Years 1-3)’ from the table above is 151,198.15 hrs. Before the removal of eTag, the total was 167,995.84 hrs.; reflecting the removal of eTag ID gives a program decrease of 16,797.69 hrs. annually.

FERC-920, Burden Change (Program Decrease), Due to Removal of eTag ID, in RM10-12 Clarifying Order, Issued 6/16/2016	
No. of Responses	No change
Estimated Annual Burden Hours (Implementation averaged over Years 1-3)	-16,797.69 ¹³

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no other costs on respondents that are not related to burden hours and explained in items 12 and 15.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The clarification order does not affect the cost of analysis and processing of the data. PRA Administrative Cost and Processing is \$5,481.

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

As discussed earlier, this clarification order removes from the OMB-approved inventory a burden related to e-Tag, a requirement on hold, never imposed, and carried in the FERC inventory for several years and now formally removed from the requirements. [

Burden Estimate Changes from Final Rule in RM10-12. As a result of the determination in the order on rehearing issued on February 6, 2015, in Docket No. RM10-12-002, and the

¹² Not affected by removal of eTag requirement

¹³ See Question 15 for additional information on this estimate.

clarification order on June 16, 2016 to rescind the requirement for filers to report e-Tag ID information in their EQRs and remove associated fields from the EQR database, the estimated burden hours reflected in the Final Rule in Docket No. RM10-12 have been lowered by 10 percent, along with a commensurate reduction in costs.

That estimate of 10% is FERC's best estimate as to what percentage the e-Tag ID requirement represented of the total burden/cost of all of the requirements in Order No. 768 (issued on 9/21/2012, at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13069358>). When Order No. 768 issued, the burden and cost estimates included in the Final Rule reflected in aggregate how much it would cost for companies to comply with all of the new reporting requirements set forth in that rule, including:

- (1) reporting the trade date and type of rate;
- (2) identifying the exchange used for a sales transaction, if applicable;
- (3) reporting whether a broker was used to consummate a transaction;
- (4) reporting e-Tag ID data;
- (5) reporting standardized prices and quantities for energy, capacity and booked out power transactions; and
- (6) indicating whether the filer reports sales transactions to an index publisher and, if so, to which index publisher(s) and which types of transactions are reported.

In the burden table in P 180 of Order No. 768, the implementation and recurring burden was not broken out by each reporting requirement, but rather by whether: (1) the company is not in California RTO or large company within California RTO; (2) whether the company is medium/small within California RTO; (3) whether the company is not within an RTO, (4) whether the company has no transactions, and (5) whether the company is a non-public utility with more than 4 million MWh of wholesale sales per year. In Order No. 768-B (at <http://elibrary-backup.ferc.gov/idmws/common/opennat.asp?fileID=13766444>), where the Commission rescinded the requirement to report e-Tag ID information in the EQR, FERC simply noted in P 11 that the burden of complying with the e-Tag ID requirement would be higher than the estimates included in Order No. 768, but FERC did not quantify the specific burden of complying with the e-Tag ID requirement there.

The estimate of an annual reduction of 16,797.69 hours for removal of the eTagID requirement is FERC's best estimate (with the one-time implementation burden averaged over Years 1-3 [completed ~2015]).

The supporting statement (ICR 201211-1902-016,¹⁴ approved by OMB 2/8/2013) related to the Final Rule in RM10-12, issued 9/21/2012, said in part:

“When averaging the one-time implementation burden and cost over Years 1-3, the total additional annual burden and cost for all filers (due to the Final Rule in RM10-12) are 167,998.33 burden hours and \$10,584,214.76.”

As detailed above and in #12, we are submitting a program decrease of 16,797.69 hrs. annually to reflect the removal of the e-Tag ID requirement.

Summary. The following table shows total inventory.

FERC-920	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	11,275	11,275		0
Annual Time Burden (Hr.)	230,032	246,830		-16,797.69
Annual Cost Burden (\$)	0	0	0	0

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

The data are being collected for regulatory purposes and not for the purposes of publication.

17. DISPLAY OF EXPIRATION DATE

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

18. EXCEPTION TO THE CERTIFICATION STATEMENT

The data collected are not used for statistical purposes.

¹⁴ ICR 201211-1902-016 also included pre-existing burden (not affected by RM10-12) for the EQR reporting requirements which had been covered in FERC-516 (OMB Control No. 1902-0096); OMB’s approval moved that burden and requirements to the new information collection number, FERC-920. Further details are included in the associated supporting statement.