

Supporting Statement for
FERC-919 (Refinement to Policies and Procedures for Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities) and FERC-920A (Electric Quarterly Report (EQR)), as modified by Notice of Proposed Rulemaking, RM16-17-000

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review and approve the information collections in the Notice of Proposed Rulemaking (NOPR) in RM16-17-000, Refinement to Policies and Procedures for Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities; and Requirements for Sellers and Virtual/FTR Participants for Analytics and Surveillance Purposes.

FERC-920¹ (OMB Control No. 1902-0255) was listed in this NOPR as one of the collections affected. However, the FERC-920 is pending OMB review under another unrelated item, and only one item per OMB Control No. can be pending OMB review at a time. We are using a new temporary placeholder or interim collection number FERC-920A (OMB Control No. TBD) in order to ensure timely submittal of this supporting statement and NOPR in RM16-17 to OMB.

This consolidated supporting statement addresses revisions to the following information collections:

1. FERC-919 (Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities), OMB Control No. 1902-0234
2. FERC-920A (Electric Quarterly Report (EQR)), OMB Control No. TBD.

A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

Recently, the Commission sought to improve its analytics and surveillance of the electric markets by issuing the Connected Entity NOPR,² which proposed collecting information from participants in Commission jurisdictional organized wholesale electric markets concerning their ownership, employee, debt, and contractual connections. This information collection was

¹ This supporting statement addresses the FERC-920 [shown here as the temporary placeholder collection number FERC-920A] because the NOPR references an alternative approach for collecting a certain category of Connected Entity data that would affect FERC-920 EQR submissions. Under either approach, certain entities would be required to report a Legal Entity Identifier (LEI); the burdens associated with acquiring and maintaining an LEI are already part of the burden estimates of the NOPR. The additional burden associated with reporting the LEI as part of the EQR are *de minimis* and are expected to be more than offset by reductions in contract information that would not need to be reported as Connected Entity Information under the alternative approach.

² Docket No. RM15-23

proposed as a modification to FERC-921,³ and was to be submitted to the RTOs and ISOs, which in turn would provide the necessary information to the Commission. In some cases, the information sought under the Connected Entity NOPR was similar to, but somewhat different from, the information to be provided by market-based rate (MBR) sellers. The desirability of consolidating MBR and Connected Entity data under one reporting regime was advocated to the Commission by members of the industry in comments responding to the Connected Entity NOPR.

Many commenters on the Connected Entity NOPR objected to the proposed data submissions on the grounds that the information to be submitted was based on a Connected Entity definition that was similar to, yet different from, the affiliate definition currently used in the MBR program. A common theme in the comments was the desirability of reconciling reporting requirements to accommodate the needs of both the MBR and analytics and surveillance programs.

FERC-919. Compliance with Federal Power Act (FPA) sections 205 and 206 make collection of FERC-919 information necessary. Specifically, Section 205 of the FPA requires just and reasonable rates and charges. Section 206 allows FERC to revoke a seller's MBR authorization if it determines that the seller may have gained market power since its original authorization to charge market based rates.

The information collected under FERC-919 allows the Commission to meet its statutory responsibilities by providing it with the following information used to determine if a seller meets the requirements for market-based rate authorization:

- initial market power analyses as required in 18 CFR 35.37(a)(1),
- triennial market power analyses for Category 2⁴ sellers as required in 18 CFR 35.37(a)(1), and
- change in status reports as required in 18 CFR 35.42(a).

Moreover, as proposed in the NOPR, the collection is needed to carry out the Commission's responsibilities to prevent, detect and prosecute market manipulation under FPA section 222 and regulate practices affecting rates subject to the jurisdiction of the Commission to ensure those rates as just and reasonable pursuant to FPA sections 205 and 206.

FERC-920A. FERC set forth the EQR filing requirements in Order No. 2001 which requires public utilities to electronically file EQRs (currently under FERC-920) summarizing transaction

³ OMB Control No. 1902-0257

⁴ *Category 2* means any sellers not in *Category 1*.

Category 1 Sellers means wholesale power marketers and wholesale power producers that own or control 500 MW or less of generation in aggregate per region; that do not own, operate or control transmission facilities other than limited equipment necessary to connect individual generating facilities to the transmission grid (or have been granted waiver of the requirements of Order No. 888, FERC Stats. & Regs. ¶ 31,036); that are not affiliated with anyone that owns, operates or controls transmission facilities in the same region as the seller's generation assets; that are not affiliated with a franchised public utility in the same region as the seller's generation assets; and that do not raise other vertical market power issues.

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. FERC established the EQR reporting requirements to obtain data needed to perform its regulatory functions over transmission service and wholesale 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.” In EPCRA 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.

The Commission proposes in this NOPR to revise its regulations to collect certain data for analytics and surveillance purposes from market-based rate (MBR) sellers and entities trading virtual products or holding financial transmission rights and to change certain aspects of the substance and format of information submitted for MBR purposes. The revisions proposed herein include an alternative proposal for certain information to be collected as part of the EQR.

FERC-919 and FERC-920A. The Commission proposes in this NOPR to amend its regulations to revise Title 18 of the Code of Federal Regulation (CFR) Part 35, Subpart H, which governs MBR authorization for wholesale sales of electric energy, capacity, and ancillary services by public utilities, and add Subpart K, which would include data collection requirements for MBR sellers and certain other participants in organized wholesale electric markets. The Commission proposes all of these changes in order to eliminate duplication, ease compliance burdens, modernize its data collections, and render information collected through its programs usable and accessible for the Commission and its staff. In furtherance of this effort, in orders being issued concurrently with the instant NOPR, the Commission is withdrawing two NOPRs in:

- Docket No. RM15-23, Collection of Connected Entity Data from Regional Transmission Organizations and Independent System Operators, modifying FERC-921 (OMB Control No: 1902-0257), submitted to OMB in ICR # 201509-1902-007
- Docket No. RM16-3, Ownership Information in Market-Based Rate Filings, modifying FERC-919 (OMB Control No: 1902-0234), submitted to OMB in ICR No: 201604-1902-006.

In addition, the Commission proposes to remove the existing requirement in 18 C.F.R. § 35.37(a) (2) that MBR sellers submit corporate organizational charts.

The FERC-920A is implicated because the NOPR seeks comment on a possible alternative approach that would require market-based rate sellers to submit their LEI as part of their EQR (FERC-920) submissions instead of separately submitting certain contract information into the relational database.

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

FERC-919. The purpose of this data collection is to assist the Commission in understanding the financial and legal connections among market participants and other entities and the possible motivations for their activities in Commission-jurisdictional electric markets. In this NOPR, the Commission seeks to collect currently-filed MBR information and the new information proposed to be collected in this NOPR in a consolidated and streamlined manner through a relational database, which will eliminate duplication and render information collected for its MBR and analytics and surveillance purposes more usable and accessible to the Commission and its staff. As reflected in this NOPR, the Commission has reworked and substantially narrowed the definitions proposed in the Collection of Connected Entity Data from Regional Transmission Organizations and Independent System Operators NOPR in Docket No. RM15-23-000 (Connected Entity NOPR)⁵, conforming them where possible to existing MBR affiliate definitions, and has entirely eliminated large portions of the data proposed for collection in that NOPR (which is now being withdrawn⁶).

FERC-920A. 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. The Ninth Circuit Court of Appeals has held that the ability to perform an ex post analysis of whether a seller with market-based rate authority has obtained excessive market share since it was granted authorization to transact at market-based rates is a necessary element in determining whether the Commission's market-based regulatory regime fulfills the requirement for the Federal Power Act. The Court upheld the Commission's market-based rate regulatory scheme because it relies on a "system [that] consists of a finding that the applicant lacks market power (or has taken sufficient steps to mitigate market power), coupled with strict reporting requirements to ensure that the rate is 'just and reasonable' and that markets are not subject to manipulation." The FERC-920 EQR

⁵ *Collection of Connected Entity Data from Regional Transmission Organizations and Independent System Operators*, 152 FERC ¶ 61, 219 (2015), posted in FERC's eLibrary at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13989180>

⁶ <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14313637>

constitutes the strict reporting requirements that helps differentiate the Commission's market based rate program from impermissible market deregulation.

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

In response to comments received in the Connected Entity NOPR in RM15-23-000, this NOPR in Docket RM16-17 proposes to collect much of the covered information through a relational database, which will eliminate duplication and render information collected more accessible to the Commission and its staff and, in the case of MBR information, to the public.

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

FERC-919 and FERC-920A. 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.

In large part in response to comments received in the Connected Entity NOPR in RM15-23-000, this NOPR proposes changes to the information to be collected as well as the method for collecting that information in order to eliminate duplication, ease compliance burdens, modernize its data collections, and render information collected through its programs more usable and accessible for the Commission and its staff.

With respect to asset appendix information currently filed by MBR sellers, the Commission proposes that certain reporting requirements for generators be based on the Plant Name, Plant Code, Generator ID and Unit Code (if applicable) information from the Energy Information Agency (EIA) Form EIA-860 database. This aligns the Commission data collection with the EIA data collection procedures, essentially adopting the EIA nomenclature, which should simplify regulatory requirements and avoid duplication of requirements for the industry.

The NOPR also seeks public comment on an alternative proposal to collect some of the contract information through its existing EQR filing process.

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

FERC-919. The economic impact of this proposed rule is directly related to the size and complexity of the organization, that is, the more entities to which a company is related, the more generation assets it owns or controls, the more traders it employs, and the more market activities in which it participates, the more information must be reported. Therefore, it is reasonable to assume that the cost of complying for small entities will be significantly less than the cost for large ones, and the amount of information that it will be required to collect, maintain, and transmit is likely to be small.

FERC-920A. Under an alternative discussed in the NOPR, filers would only be adding their LEI information to the quarterly FERC-920 filing. The burden of acquiring and retaining an LEI is already part of the burden estimate for the proposed approach. If this alternative proposal is chosen instead, any additional implementation burden is expected to be *de minimis*.

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

Section 205 of the FPA mandates that the Commission adopt policies to ensure just and reasonable rates and FPA section 222 prohibits regulated entities from engaging in manipulative behavior in contravention of the Commission's rules and regulations. FERC-919 proposes information be collected for both the Commission's MBR and anti-manipulation analytics and surveillance programs, which serve the goal of ensuring just and reasonable rates. The Commission requires information gleaned via FERC-919 to meet its statutory responsibilities.

This proposal keeps the requirement that sellers submit significant changes to certain required information within 30 days. The proposal adds to this a requirement that MBR sellers also submit quarterly updates of any changes. If the MBR information were collected on a less frequent basis than is proposed, it would affect the Commission's ability to determine whether a market-based rate seller's rates continue to be just and reasonable.

In addition, FERC conducts near real-time surveillance of the electric markets and it plans to incorporate the analytics and surveillance information from FERC-919 into these regular efforts. The ongoing electronic delivery of analytics and surveillance information is essential to FERC's efforts to detect anti-competitive or manipulative behavior on a timely basis. If this information were to be provided on a less frequent basis than is proposed, FERC's surveillance program would not be able identify potentially manipulative behavior as quickly, which could result in additional harm to the markets. Therefore, the timeliness of this data is a critical element in its utility.

For the filers and their connected entities, submission of the analytics and surveillance information on a schedule, rather than when a change in status occurs, would invite omissions and errors over the course of time. Such errors and omissions would decrease the effectiveness of FERC's surveillance and reduce potential cost-savings.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

FERC-919 and FERC-920A have no special circumstances related to the information collections.

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

When formulating this NOPR, the Commission considered the comments submitted in the Connected Entity NOPR and, in response, has reworked and substantially narrowed the definitions proposed herein and eliminated large portions of the data proposed for collection in that NOPR. Commission staff also held significant outreach with members of the industry prior to the Commission issuing the instant NOPR and is continuing outreach on the proposal via technical conferences and workshops.⁷ In addition, the Commission invites interested persons to submit comments on the matters and issues proposed in this NOPR in RM16-17, including any related matters or alternative proposals that commenters may wish to discuss.

In addition to publishing the full text of this document in the Federal Register,⁸ the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>) and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, N.E., Room 2A, Washington D.C. 20426.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not make payments or provide gifts to respondents related to FERC-919 or FERC-920A.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

Generally, the Commission does not consider the MBR Information to be confidential. If an entity chooses to seek confidential treatment of the MBR Information, it must submit a request for the Commission to treat this information as confidential and non-public, consistent with 18 CFR 388.112. The Commission expects that the Connected Entity Information, which is submitted solely for analytics or surveillance purposes, will be treated as non-public and

⁷ See, e.g., *Data Collection for Analytics and Surveillance and Market-Based Rate Purposes; Notice of the Technical Workshop on the Draft Data Dictionary Attached to the Data Collection for Analytics and Surveillance and Market-Based Rate Purposes Notice of Proposed Rulemaking*, 81 Fed. Reg. 49637 (July 28, 2016) (announcing an August 11, 2016 public workshop to review the draft data dictionary attached to the NOPR), posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14313646>.

⁸ *Data Collection for Analytics and Surveillance and Market-Based Rate Purposes*, 81 Fed.Reg 512725 (July 28, 2016)

confidential unless the Commission authorizes its release under the provisions of Part 1b of its regulations.⁹

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 that are considered private in FERC-919 or FERC-920A.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The proposed rule will affect MBR sellers and Virtual/FTR Participants. Burden estimates are provided for each category.

FERC-919. The Commission recognizes that there will be an initial implementation burden associated with providing the Commission the requested data. For example, MBR sellers and Virtual/FTR Participants will be required to obtain an LEI if they do not already have one. LEI acquisition is largely administrative with some optional legal review. We estimate one hour of person-time to acquire an LEI (\$42.25), added to the estimated \$250 cost of obtaining the LEI itself, totaling \$292.25 in year one. There is also an estimated \$150 annual fee for maintaining the LEI, plus the associated one burden hour for an ongoing annual cost of \$192.25 (starting in year 2). The LEI information will also be required to be reported in the FERC-920 (Electric Quarterly Report) [burden listed under FERC-920A for this supporting statement].

MBR sellers already submit most of the requested information to the Commission as part of their applications, notices of change in status and triennial updated market power analyses. For MBR sellers, the proposed rule enlarges the scope of some information to be collected while also reducing requirements for some existing collections. In year one, we estimate that the average MBR seller will spend seventy to one-hundred hours collecting and providing this additional information in year 1, with an ongoing burden in subsequent years of twelve hours.

Under the proposed rule, Virtual/FTR Participants will be required to submit a subset of the information MBR sellers are required to submit. Because exclusively Virtual/FTR Participants tend to be smaller than MBR sellers and because the information collected is not as extensive, we estimate that Virtual/FTR Participants, on average, will spend twenty hours collecting and

⁹ 18 CFR part 1b. The protected nature of the collected information would not, however, prohibit the Commission from sharing it on a confidential basis, with market monitors, RTOs and ISOs. Such sharing was explicitly authorized in *Southwest Power Pool, Inc.*, 137 FERC ¶ 61,046, at P 20 (2011).

providing this information in year one, with an ongoing burden in subsequent years of eight hours.

Some of the ongoing, incremental costs will be incurred by MBR sellers and Virtual/FTR Participants when they are required to submit information about certain changes within thirty days of the change. Based on the current average of change in status filings submitted by MBR sellers each year, we estimate that ten percent of affected entities will submit changes on an annual basis.

All MBR sellers will incur the cost associated with submitting quarterly updates to information previously submitted into the relational database to the extent such changes did not trigger a change in status or change in connection submission. We estimate that during a given year, approximately half of the 2,100 MBR sellers will be required to submit the quarterly report.

The additional burden related to the FERC-920A (Electric Quarterly Report) is a one-time, phase in.

The estimated additional burden and cost related to the NOPR in Docket RM16-17 follows.

FERC-919 and FERC-920A (OMB Control Nos. 1902-0234 and TBD)
 Notice of Proposed Rulemaking in Docket No. RM16-17-000 (issued 07/21/2016); RIN No. 1902-AF22

Burden Changes as proposed in NOPR in RM16-17-000										
Respondent/Incremental Burden Category	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)(2)=(3)	Burden hours per Response (4)	Hourly Cost per Response (5)	Total Burden Cost Per Response (4)(5) = (6)	Total Burden Hours Per Respondent (2)(4) = (7)	Total Burden Cost Per Respondent (2)(6) = (8)	Total Annual Burden Hours (1)(7) = (9)	Total Annual Burden Cost (1)(8)=(10)
FERC-919										
MBR										
LEI acquisition burden	2,100	1	2,100	1	\$ 42.25	\$ 42	1	\$ 42	2,100	\$ 88,725
First year, incremental costs associated with the collection of additional connected entity and MBR information (e.g. unit level information and NERC PSE IDs)	2,100	1	2,100	42	\$ 42.25	\$ 1,775	42	\$ 1,775	88,200	\$ 3,726,450
First year, incremental cost of formatting changes and initial filing (using method described in NOPR)										
Category 1 Sellers	1,050	1	1,050	30	\$ 76.28	\$ 2,288	30	\$ 2,288.40	31,500	\$ 2,402,820
Category 2 Sellers	1,050	1	1,050	60	\$ 76.28	\$ 4,577	60	\$ 4,576.80	63,000	\$ 4,805,640
Ongoing incremental costs associated with the collection and reporting of additional connected entity information and MBR information (e.g. unit level information)	210	1	210	8	\$ 42.25	\$ 338	8	\$ 338	1,680	\$ 70,980
Ongoing quarterly updates for MBR information (as required)	1,050	1	1,050	4	\$ 42.25	\$ 338	4	\$ 338	4,200	\$ 354,900
Sub total for MBR-Only							First year (Cat.1)	\$ 4,105	121800	\$ 6,217,995
							First year (Cat.2)	\$ 6,394	153300	\$ 8,620,815
							Ongoing	\$ 676	5,880	\$ 425,880
FTR/Virtual Only										
LEI acquisition burden	2,000	1	2,000	1	\$ 42.25	\$ 42	1	\$ 42	2,000	\$ 84,500
First year, incremental costs associated with the collection of additional surveillance information	2,000	1	2,000	16	\$ 42.25	\$ 676	16	\$ 676	32,000	\$ 1,352,000
First year Virtual/FTR submission	2,000	1	2,000	4	\$ 76.28	\$ 305	4	\$ 305	8,000	\$ 610,240
Ongoing incremental costs associated with the collection and reporting of additional connected entity information	200	1	200	8	\$ 42.25	\$ 338	8	\$ 338	1,600	\$ 67,600
Sub total for FTR/Virtual							First year	\$ 1,023	42,000	\$ 2,046,740
							Ongoing	\$ 338	1,600	\$ 67,600
Sub total for FERC-919								First year	317,100	\$ 16,885,550
								Ongoing	7,480	\$ 493,480
FERC-920A (EQR)										
EQR Changes										
First year implementation in Q1 for sellers [ongoing burden is negligible]	2100	1	2100	0.25	\$ 42.25	\$ 11	0.25	\$ 11	525	\$ 22,181
Sub total for EQR Changes							First year	\$ 11	525	\$ 22,181
							Ongoing	\$ -	0	\$ -
Total burden changes due to NOPR RM16-17-000								First year	317,625	\$16,907,731
								Ongoing	7,480	\$ 493,480

The table above contains estimates of the number of MBR sellers and Virtual/FTR Participants. We estimate that there are 2,100 MBR sellers based on the number of MBR filings; of those approximately half are Category 1 in all regions and half are Category 2 in one or more regions. We estimate 2,000 Virtual/FTR Participants using data submitted by the RTO/ISOs in accordance with Order No. 760.

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no capital or start-up costs associated with FERC-919 and FERC-920A. All of the costs in the NOPR are associated with the burden hours and accounted for in Questions #12 and 15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimated federal cost related to the NOPR in Docket RM16-17 follows:

	Number of Employees (FTEs)	Estimated Annual Cost (during 2 year adaptation period, Years 1 and 2)
Analysis and Processing of FERC-919 filings ¹⁰ in years 1 and 2	1.5 FTEs per year for Years 1 & 2 ¹¹	\$231,970
Analysis and Processing of FERC-920 filings:	<i>de minimis</i>	<i>de minimis</i>
Hardware/Software Development in Year 1 (for FERC-919 and FERC-920)		\$275,000
Hardware/Software Maintenance (for FERC-919 and FERC-920), annually		\$27,500
PRA ¹² Administrative Cost ¹³ FERC-919 and FERC-920A in Year 1		\$10,962 (\$5,481.00 per collection)
FERC Total Year 1		\$545,432
FERC Total Year 2		\$259,470
FERC Total Year 3		\$27,500

We estimate an initial increase in cost of 3 FTEs during the first two years of implementing the data collection from Virtual/FTR Participants and market-based rate sellers in a new format that uses an XML schema. After the two-year adaptation period, we estimate no net increase in cost resulting from RM16-17-000 because the Commission already collects and tracks most of the

10 Based upon 2016 FTE average salary plus benefits of \$154,647 or (\$74.50/hour)

1.5 FTEs [includes 1 FTE (training) + 1 FTE (filer support) + 1 FTE (report development)]

11 Over years 1 and 2, it will total 3 federal FTEs [averaging 1.5 FTEs for each of those years]. Those 3 FTEs include 1 FTE (training) + 1 FTE (filer support) + 1 FTE (report development).

12 Paperwork Reduction Act of 1995 (PRA)

13 The PRA Administrative Cost is a Federal Cost associated with preparing, issuing, and submitting materials necessary to comply with the Paperwork Reduction Act (PRA) for rulemakings, orders, or any other vehicle used to create, modify, extend, or discontinue an information collection. This average annual cost includes requests for extensions, all associated rulemakings (not just this item), and other changes to the collection.

data proposed to be collected. Although Virtual/FTR Participants would be required to submit information to the Commission for the first time in response to RM16-17, the Commission already conducts analytics and surveillance on those entities and the proposal in RM16-17-000 optimizes that work. After the adaptation period the Commission will be able to carry out its responsibilities with the number of federal FTEs already accounted for in FERC-919 and FERC-920A [FERC-920].

The estimated need for 3 additional FTEs per year in Years 1 and 2 is described below:

- We estimate an initial cost to train staff on how to utilize the new relational database and incorporate it into its analyses. We estimate .5 FTE to train staff responsible for administering information submitted for MBR purposes and .5 FTE to train staff responsible for using data for analytics and surveillance purposes.
- We estimate an initial cost to provide support and educate MBR sellers (0.5 FTE) and Virtual/FTR Participants (0.5 FTE) on how to submit information in a new format.
- We estimate an initial cost to develop standardized reports and queries for MBR purposes (0.5 FTE) and (0.5 FTE) analytics and surveillance purposes.

Following the two-year adaptation period, costs to analyze and process MBR filings and costs to conduct analytics and surveillance should revert to previous levels as a more efficient data collection process will offset any data-maintenance cost (i.e. detecting data errors and making verifications). This estimated cost includes staff analysis, decision-making, and review of any actual filings submitted in response to the information collections.

Because the vast majority of the hardware/software development and maintenance costs are related to the new relational database for FERC-919, all of the cost estimates for Years 1-3 are being included under FERC-919 for the metadata in ROCIS and reginfo.gov.

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

In the NOPR in Docket RM16-17, FERC proposes to improve its surveillance of wholesale power markets by revising regulations to collect certain data for analytics and surveillance purposes and to change certain aspects of the substance and format of information submitted for market-based rate purposes. The Commission proposes all of these changes in order to eliminate duplication, ease compliance burdens, modernize its data collections, and render information collected through its programs usable and accessible for the Commission and its staff.

When averaging the one-time implementation burden over Years 1-3 (including one hour of burden increase to acquire or maintain an LEI), the total additional annual burden for all filers is 110,862 burden hours (110,687 hrs. per year for FERC-919, and 175 hrs. for FERC-920A).

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
FERC-919				
Annual Number of Responses	2,849	509	0	2,340
Annual Time Burden (Hr.)	195,157	84,470	0	110,687
Annual Cost Burden (\$)	0	0	0	0
FERC-920A				
Annual Number of Responses	2,100	0	0	2,100
Annual Time Burden(Hr.)	175	0	0	175
Annual Cost Burden (\$)	0	0	0	0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no publication of data associated with FERC-919 or FERC-920A information.

17. DISPLAY OF EXPIRATION DATE

The expiration dates are available at <http://www.ferc.gov/docs-filing/info-collections.asp>.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.