

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

[Docket Nos. RD16-10-000, RD17-5-000 and IC17-6-000]

COMMISSION INFORMATION COLLECTION ACTIVITIES (FERC-725E);
COMMENT REQUEST; REVISION

(August 15, 2017)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of revised information collection and request for comments.

SUMMARY: In compliance with the requirements of the Paperwork Reduction Act of 1995, 44 USC 3507(a)(1)(D), the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on revisions to the information collection, FERC-725E (Mandatory Reliability Standards for the Western Electric Coordinating Council), in Docket Nos. RD16-10-000, RD17-5-000 and IC17-6-000 and submitting the information collection to the Office of Management and Budget (OMB) for review. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission published Notices in the Federal Register in Docket No. RD16-10-000, (82 FR 16823, 4/6/2017) and in Docket Nos. RD17-5-000 and IC17-6-000 (82 FR 21538, 5/9/2017) requesting public comments. FERC received no comments in response to the Notices and is indicating that in its submittal to the OMB.

DATES: Comments on the collection of information are due **[Insert Date that is 30 days after publication in the Federal Register]**.

ADDRESSES: Comments filed with OMB, identified by OMB Control No. 1902-0246, should be sent via email to the Office of Information and Regulatory Affairs:

oir_submission@omb.gov. Attention: Federal Energy Regulatory Commission Desk Officer. The Desk Officer may also be reached via telephone at 202-395-0710.

A copy of the comments should also be sent to the Commission, in Docket Nos. RD17-5, RD16-10 and IC17-6, by either of the following methods:

- eFiling at Commission's Web Site: <http://www.ferc.gov/docs-filing/efiling.asp>
- Mail/Hand Delivery/Courier: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426.

Instructions: All submissions must be formatted and filed in accordance with submission guidelines at: <http://www.ferc.gov/help/submission-guide.asp>. For user assistance contact FERC Online Support by e-mail at ferconlinesupport@ferc.gov, or by phone at: (866) 208-3676 (toll-free), or (202) 502-8659 for TTY.

Docket: Users interested in receiving automatic notification of activity in Docket Nos. RD17-5, RD16-10, and IC17-6 or in viewing/downloading comments and issuances in these dockets may do so at <http://www.ferc.gov/docs-filing/docs-filing.asp>.

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:

Title: FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council

OMB Control No.: 1902-0246

Type of Request: Revisions to the FERC-725E information collection requirements, as discussed in Docket Nos. RD16-10, RD17-5 and IC17-6.

Abstract: Docket No. RD16-10-000: On March 23, 2016 (and supplemented on November 16, 2016), the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) filed a joint petition to retire regional Reliability Standard TOP-007-WECC-1a - System Operating Limits (“SOL”). The purpose of the proposed retirement is to shift away from the path-centric model and allow entities in the Western Interconnection to align their operating practices with the framework established in the continent-wide TOP/IRO Reliability Standards approved in Order No. 817,¹ which, according to NERC and WECC, achieve the objective of operating within acceptable pre- and post-contingency reliability criteria (i.e., within SOLs and Interconnection Reliability Operating Limits (“IROL”). On March 10, 2017, the Commission approved the retirement of regional Reliability Standard TOP-007-WECC-1a.²

¹ The burdens related to Order No. 817 are included in FERC-725Z (Mandatory Reliability Standards: IRO Reliability Standards, OMB Control No. 1902-0276), and FERC-725A Mandatory Reliability Standards for the Bulk-Power System, OMB Control No. 1902-0244).

² The Delegated Letter Order is posted in FERC’s eLibrary at <https://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14515285>.

Docket Nos. RD17-5 and IC17-6: On March 10, 2017, NERC and WECC filed a joint petition in Docket No. RD17-5-000³ requesting Commission approval of: (a) regional Reliability Standard VAR-501-WECC-3 (Power System Stabilizers), and (b) the retirement of then-existing regional Reliability Standard VAR-501-WECC-2. The petition states: “Regional Reliability Standard VAR-501-WECC-3 establishes the performance criteria for power system stabilizers to help ensure the Western Interconnection is operated in a coordinated manner under normal and abnormal conditions.” VAR-501-WECC-3 was approved by order in Docket No. RD17-5-000 on April 28, 2017.

FERC-725E, overall background: The information collected by the FERC-725E is required to implement the statutory provisions of section 215 of the Federal Power Act (FPA) (16 U.S.C. 824o). Section 215 of the FPA buttresses the Commission’s efforts to strengthen the reliability of the interstate grid through the grant of new authority by providing for a system of mandatory Reliability Standards developed by the Electric Reliability Organization (ERO). Reliability Standards that the ERO proposes to the Commission may include Reliability Standards that are proposed to the ERO by a Regional Entity.⁴ A Regional Entity is an entity that has been approved by the Commission to enforce Reliability Standards under delegated authority from the ERO.⁵

³ The joint petition and exhibits are posted in the Commission’s eLibrary system in Docket No. RD17-5-000.

⁴ 16 U.S.C. 824o(e)(4).

⁵ 16 U.S.C. 824o(a)(7) and (e)(4).

On June 8, 2008, the Commission approved eight regional Reliability Standards submitted by the ERO that were proposed by WECC.⁶

WECC promotes bulk electric system reliability in the Western Interconnection. WECC is the Regional Entity responsible for compliance monitoring and enforcement. In addition, WECC provides an environment for the development of Reliability Standards and the coordination of the operating and planning activities of its members as set forth in the WECC Bylaws.

There are several regional Reliability Standards in the WECC region. These regional Reliability Standards generally require entities to document compliance with substantive requirements, retain documentation, and submit reports to WECC. The following standards will be continuing without change.

- BAL-002-WECC-2a (Contingency Reserve)⁷ requires balancing authorities and reserve sharing groups to document compliance with the contingency reserve requirements described in the standard.
- BAL-004-WECC-02 (Automatic Time Error Correction) requires balancing authorities to document that time error corrections and primary inadvertent

⁶ *North American Electric Reliability Corp.*, 119 FERC ¶ 61,260 (2007).

⁷ BAL-002-WECC-2 is included in the OMB-approved inventory for FERC-725E. On November 9, 2016, NERC and WECC submitted a joint petition for approval of an interpretation of BAL-002-WECC-2, to be designated BAL-002-WECC-2a. BAL-002-WECC-2a was approved by order in Docket No. RD17-3-000 on January 24, 2017. The Order determined: “The proposed interpretation provides clarification regarding the types of resources that may be used to satisfy Contingency Reserve requirements in regional Reliability Standard BAL-002-WECC-2.” BAL-002-WECC-2a did not trigger the Paperwork Reduction Act and did not affect the burden estimate. BAL-002-WECC-2a is being included in this Notice and the Commission’s submittal to OMB as part of the FERC-725E.

interchange payback were conducted according to the requirements in the standard.

- FAC-501-WECC-1 (Transmission Maintenance) requires transmission owners with certain transmission paths to have a transmission maintenance and inspection plan and to document maintenance and inspection activities according to the plan.
- IRO-006-WECC-2 (Qualified Transfer Path Unscheduled Flow (USF) Relief)⁸ requires balancing authorities and reliability coordinators to document actions taken to mitigate unscheduled flow.
- PRC-004-WECC-2 (Protection System and Remedial Action Scheme Misoperation)⁹ requires transmission owners, generator owners and

⁸ On December 20, 2013, NERC and WECC submitted a joint petition for approval of IRO-006-WECC-2 and retirement of IRO-006-WECC-1. IRO-006-WECC-2 was approved by order in Docket No. RD14-9-000 on May 13, 2014. Because the reporting burden for IRO-006-WECC-2 did not increase for entities that operate within the Western Interconnection, FERC submitted the order to OMB for information only. The burden related to IRO-006-WECC-2 does not differ from the burden of IRO-006-WECC-1, which is included in the OMB-approved inventory. IRO-006-WECC-2 is being included in this Notice and the Commission's submittal to OMB as part of FERC-725E.

⁹ Order No. 818, issued on November 19, 2015 in Docket Nos. RM15-7, RM15-12, and RM15-13, stated in part: "NERC requested approval of the following Reliability Standards to incorporate the proposed definition of Remedial Action Scheme and eliminate use of the term Special Protection System: . . . PRC-004-WECC-2, . . . NERC did not propose any changes to the Violation Risk Factors or Violation Severity Levels for the modified standards." *Revisions to Emergency Operations Reliability Standards; Revisions to Undervoltage Load Shedding Reliability Standards; Revisions to the Definition of "Remedial Action Scheme" and Related Reliability Standards*, Order No. 818, 153 FERC ¶ 61,228, at P 23 n.31 (2015). In addition, Order No. 818 stated: "The Commission approved the definition of Special Protection System (Remedial Action Scheme) in Order No. 693. We approve a revision to the previously approved definition. The revisions to the Remedial Action Scheme definition and related Reliability Standards are not expected to result in changes to the scope of systems covered by the Reliability

transmission operators to document their analysis and/or mitigation due to certain misoperations on major transfer paths. This standard requires that documentation be kept for six years.

- VAR-002-WECC-2 (Automatic Voltage Regulators (AVR))¹⁰ requires generator operators and transmission operators to provide quarterly reports to the compliance monitor and have evidence related to their synchronous generators, synchronous condensers, and automatic voltage regulators.

The Commission will be submitting a request to OMB to extend those requirements with no change for three years. The Commission's request to OMB will also reflect the following:

- eliminating the burden associated with regional Reliability Standard TOP-007-WECC-1a, which is being retired (addressed in Docket No. RD16-10);¹¹ and

Standards and other Reliability Standards that include the term Remedial Action Scheme. Therefore, the Commission does not expect the revisions to affect applicable entities' current reporting burden." *Id.* P 67. The change to the definition did not affect the burden of PRC-004-WECC-1 (which is included in the current OMB-approved inventory). PRC-004-WECC-2 (the current version of the standard) is being included in this Notice and the Commission's submittal to OMB as part of the FERC-725E.

¹⁰ VAR-002-WECC-2 was approved by order in Docket No. RD15-1 on March 3, 2015. Regional Reliability Standard VAR-002-WECC-2 made a "non-material or non-substantive change" to the reporting and recordkeeping requirements associated with VAR-002-WECC-1 (currently included in the OMB-approved inventory). VAR-002-WECC-2 (the current version of the standard) is being included in this Notice and the Commission's submittal to OMB as part of FERC-725E.

¹¹ The Commission approved the retirement of regional Reliability Standard TOP-007-WECC-1a (System Operating Limits ("SOL")) by order in Docket No. RD16-10-000 on March 10, 2017. On March 31, 2017, the Commission issued a 60-day Notice requesting public comment on the effect on burden. The 60-day Notice is available at 82 FR 16823 (April 6, 2017). Comments on the 60-day Notice were due in Docket No. RD16-10-000

- implementing the regional Reliability Standard VAR-501-WECC-3 and retiring regional Reliability Standard VAR-501-WECC-2 (addressed in Docket No. RD17-5 and discussed below).

In this document, we provide estimates of the burden and cost related to those revisions to FERC-725E. Details follow on the changes due to Docket Nos. RD16-10, RD17-5-000, and IC17-6 and on the continuing burdens which are being submitted to OMB for approval in a consolidated package under FERC-725E.

Type of Respondents: Balancing authorities, reserve sharing groups, transmission owners, reliability coordinators, transmission operators, generator operators and generator owners.

*Estimate of Annual Burden*¹²: We provide three tables below with burden estimates which show: (1) reductions due to Docket No. RD16-10, (2) reductions, increases, and net changes, due to Docket No. RD17-5, and (3) resulting net ongoing burden for FERC-725E overall, which will be submitted to OMB for approval.

Changes Due to Docket No. RD16-10. The Commission estimates the reduction in the annual public reporting burden for the FERC-725E (due to the retirement of regional Reliability Standard TOP-007-WECC-1a) as follows:¹³

by June 5, 2017; no comments were received. See Docket No. RD16-10-000 for additional information (including the estimated annual burden reduction of 1,188 hours).

¹² Burden is defined 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. For further explanation of what is included in the information collection burden, refer to 5 Code of Federal Regulations 1320.3.

¹³ The reductions in burden and cost shown in the table are the same figures as those in the current OMB-approved inventory for the reporting and recordkeeping requirements, now being retired.

| FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council, Reductions Due to Docket No. RD16-10 | | | | | |
|---|----------------------------------|--|--|---|--|
| Information Collection Requirements & Entity | Number of Respondents (1) | Annual Number of Responses per Respondent (2) | Total Number of Responses (1)*(2)=(3) | Average Burden Hours & Cost Per Response (4) | Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5) |
| Reporting Requirement-Transmission Operators that operate qualified transfer paths ¹⁴ | 9 | 3 | 27 | 40 hrs.; \$2,908 | 1,080 hrs.; \$78,516 |
| Recordkeeping Requirement-Transmission Operators that operate qualified transfer paths | 9 | 1 | 9 | 12 hrs.; \$347 | 108 hrs.; \$3,124 |
| TOTAL REDUCTION (Due to Docket No. RD16-10) | | | | | 1,188 hrs.; \$81,640 |

Estimate of Annual Burden¹⁵: Details follow on the changes in Docket No. RD17-5-000, and on the continuing burdens, which will be submitted to OMB for approval in a consolidated package under FERC-725E.

¹⁴ This is based on burden estimates taken from the Order in Docket No. RR07-11-000, P. 130.

¹⁵ Burden is defined 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. For further explanation of what is included in the information collection burden, refer to 5 Code of Federal Regulations 1320.3.

| FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council, Changes in Docket No. RD17-5-000 | | | | | | |
|---|--|---|--|--|---|---|
| Entity | No. of Respondents¹⁶ (1) | Annual No. of Responses per Respondent (2) | Annual No. of Responses (1)*(2)=(3) | Average Burden Hrs. & Cost¹⁷ Per Response (\$) (4) | Total Annual Burden Hours & Total Annual Cost (\$) (3)*(4)=(5) () | Cost per Respondent (\$) (5)÷(1)=(6) |
| Retirement Of Former Standard VAR-501-WECC-2 and Associated Reductions | | | | | | |
| <i>Reporting Requirements</i> | | | | | | |
| Generator Operators | 249 | 4 | 996 | 1 hr.; \$76.22 | 996 hrs.; \$75,915.12 (reduction) | \$304.88 (reduction) |
| <i>Recordkeeping Requirements</i> | | | | | | |
| Generator Operator | 249 | 4 | 996 | 0.5 hrs.; \$31.19 | 498 hrs.; \$15,532.62 | \$62.38 (reduction) |

¹⁶ The number of respondents is derived from the NERC Compliance Registry as of March 10, 2017.

¹⁷ For VAR-501-WECC-3, the hourly cost (for salary plus benefits) uses the figures from the Bureau of Labor Statistics for three positions involved in the reporting and recordkeeping requirements. These figures include salary (http://bls.gov/oes/current/naics2_22.htm) and benefits (<http://www.bls.gov/news.release/ecec.nr0.htm>) and are:

1. Manager: \$89.07/hour
2. Engineer: \$64.91/hour
3. File Clerk: \$31.19/hour

The hourly cost for the reporting requirements (\$76.99) is an average of the cost of a manager and engineer. The hourly cost for recordkeeping requirements uses the cost of a file clerk.

| | | | | | | |
|--|-----|---|-----|-----------------------|--|----------|
| ors | | | | | (reduction) | |
| Reductions (Discontinued in yr. 1) | | | | | 1,494 hrs.; \$91,447.74 (reduction) | |
| New Standard VAR-501-WECC-3 | | | | | | |
| <i>Reporting Requirements</i> | | | | | | |
| Generator Owners and/or Operators, in Year 1 | 291 | 3 | 873 | 1 hr.; \$76.99 | 873 hrs.; \$67,212.27 | \$230.97 |
| Generator Owners and/or Operators, in Year 2 and Ongoing | 291 | 2 | 582 | 1 hr.; \$76.99 | 582 hrs.; \$44,808.18 | \$153.98 |
| <i>Recordkeeping Requirements</i> | | | | | | |
| Generator Owners and/or Operators, in Year 1 | 291 | 3 | 873 | 1 hr.; \$31.19 | 873 hrs.; \$27,228.87 | \$93.57 |
| Generator Owners | 291 | 2 | 582 | 0.5 hrs.; \$15.595 | 291 hrs.; \$9,076.29 | \$31.19 |

| | | | | | | |
|---|--|--|--|--|--------------------------------|--|
| and/or Operat ors, in Year 2 and Ongoi ng | | | | | | |
| New Burde n, in Year 1 | | | | | 1,746 hrs.; \$94,441.1 4 | |
| New Burde n, in Year 2 & Ongoi ng | | | | | 873 hrs.; \$53,884.4 7 | |
| Net Burde n Chang e in Year 1 (Due to Docke t RD17- 5) | | | | | +252 hrs. (increase) | |
| Net Burde n Chang e in Year 2 and Ongoi ng (Due to Docke t | | | | | -621 hrs. (decrease) | |

| | | | | | | |
|----------------|--|--|--|--|--|--|
| RD17-5) | | | | | | |
|----------------|--|--|--|--|--|--|

Net Burden for FERC-725E, for Submittal to OMB. The table below describes the new and continuing information collection requirements and the associated burden for FERC-725E. (The burdens and costs related to TOP-007-WECC-1a and VAR-501-WECC-2 [the standards being retired] are omitted.)

| FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council [New and Continuing Information Collection Requirements] | | | | | | |
|--|--|---|--|---|---|---|
| Entity | No. of Respondents¹⁸ (1) | Annual No. of Responses per Respondent (2) | Annual No. of Responses (1)*(2)=(3) | Average Burden Hrs. & Cost Per Response (\$) (4) | Total Annual Burden Hours & Total Annual Cost (\$) (3)*(4)=(5) | Cost per Respondent (\$) (5)÷(1)=(6) |
| Reporting Requirements | | | | | | |
| Balancing Authorities | 34 | 1 | 34 | 21 hrs., \$1,616.79 | 714 hrs., \$54,970.86 | \$1,616.79 |
| Generator Operators | 228 | 1 | 228 | 10 hrs., \$769.90 | 2,280 hrs., \$175,537.20 | \$769.90 |
| Transmission Operators applicable to standard VAR-002 | 86 | 4 | 344 | 10 hrs., \$769.90 | 3,440 hrs., \$264,845.60 | \$769.90 |
| Transmission Owners that operate qualified transfer paths | 5 | 3 | 15 | 40 hrs., \$3,079.60 | 600 hrs., \$46,194.00 | \$3,079.60 |
| Reliability | 1 | 1 | 1 | 1 hr., | 1 hr., | \$76.99 |

¹⁸ The number of respondents is derived from the NERC Compliance Registry as of March 10, 2017.

| | | | | | | |
|---|-----|---|-----|----------------------|---|----------|
| Coordinators | | | | \$76.99 | \$76.99 | |
| Reserve Sharing Group | 3 | 1 | 3 | 1 hr., \$76.99 | 3 hrs., \$230.97 | \$76.99 |
| Generator Owners and/or Operators , in Year 1, per RD17-5 for VAR-501-WECC-3 | 291 | 3 | 873 | 1 hr.; \$76.99 | 873 hrs.; \$67,212.27 | \$230.97 |
| Generator Owners and/or Operators, in Year 2 and Ongoing, per RD17-5 for VAR-501-WECC-3 | 291 | 2 | 582 | 1 hr.; \$76.99 | 582 hrs.; \$44,808.18 | \$153.98 |
| Total for Reporting Requirements in Year 1 | | | | | 7,911 hrs.; \$609,067.89 | |
| Total for Reporting Requirements in Year 2 & ongoing | | | | | 7,620 hrs.; \$586,663.80 | |
| Recordkeeping Requirements | | | | | | |
| Balancing Authorities | 34 | 1 | 34 | 2.1 hrs., \$65.50 | 71.4 hrs., \$2,226.97 | \$65.50 |
| Balancing Authorities (IRO-006) | 34 | 1 | 34 | 1 hr., \$31.19 | 34 hrs., \$1,060.46 | \$31.19 |
| Generator Operators | 228 | 1 | 228 | 1 hr., \$31.19 | 228 hrs., \$7,111.32 | \$31.19 |
| Transmission Operator (VAR-002) | 86 | 1 | 86 | 4 hrs., \$124.76 | 344 hrs., \$10,729.36 | \$124.76 |
| Transmission Owner that operate qualified transfer paths | 5 | 1 | 5 | 12 hrs., \$374.28 | 60 hrs., \$1,871.40 | \$374.28 |
| Reliability Coordinator | 1 | 1 | 1 | 1 hr.; \$31.19 | 1 hr.; \$31.19 | \$31.19 |
| Generator Owners and/or | 291 | 3 | 873 | 1 hr.; \$31.19 | 873 hrs.; \$27,228.87 | \$93.57 |

| | | | | | | |
|---|-----|---|-----|-----------------------|---|---------|
| Operators, in Year 1, per RD17-5 for VAR-501-WECC-3 | | | | | | |
| Generator Owners and/or Operators, in Year 2 and Ongoing, per RD17-5 for VAR-501-WECC-3 | 291 | 2 | 582 | 0.5 hrs.; \$15.595 | 291 hrs.; \$9,076.29 | \$31.19 |
| Total for Recordkeeping Requirements in Yr. 1 | | | | | 1,611.4 hrs.; \$50,259.57. | |
| Total for Recordkeeping Requirements in Yr. 2 & ongoing | | | | | 1,029.4 hrs.; \$32,106.99 | |
| TOTAL FOR FERC-725E, IN YR. 1 | | | | | 9,522.4 hrs.; \$659,327.46 | |
| TOTAL FOR FERC-725E, IN YR. 2 & ONGOING | | | | | 8,649.4 hrs.; \$618,770.79 | |

Comments: Comments are invited on: (1) whether the collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Kimberly D. Bose,
Secretary