

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

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

(May 3, 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 3506(c)(2)(A), 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) and will be submitting FERC-725E to the Office of Management and Budget (OMB) for review of the information collection requirements.

**DATES:** Comments on the collection of information are due **[Insert date 60 days after publication in the Federal Register]**.

**ADDRESSES:** You may submit comments identified by Docket Nos. RD17-5-000 and IC17-6-000 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](mailto: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 this docket or in viewing/downloading comments and issuances in this docket 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](mailto: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:* Three-year approval of the FERC-725E information collection requirements, as modified by Docket No. RD17-5-000.

*Abstract:* 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.<sup>1</sup> A Regional Entity is an entity that has been approved by the Commission to enforce Reliability Standards under delegated authority from the ERO.<sup>2</sup> On June 8, 2008, the Commission approved eight regional Reliability Standards submitted by the ERO that were proposed by the Western Electricity Coordinating Council (WECC).<sup>3</sup>

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.

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<sup>1</sup> 16 U.S.C. 824o(e)(4).

<sup>2</sup> 16 U.S.C. 824o(a)(7) and (e)(4).

<sup>3</sup> *North American Electric Reliability Corp.*, 119 FERC ¶ 61,260 (2007).

- BAL-002-WECC-2a (Contingency Reserve)<sup>4</sup> 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 interchange payback were conducted according 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.

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<sup>4</sup> 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.

- IRO-006-WECC-2 (Qualified Transfer Path Unscheduled Flow (USF) Relief)<sup>5</sup> requires balancing authorities and reliability coordinators document actions taken to mitigate unscheduled flow.
- PRC-004-WECC-2 (Protection System and Remedial Action Scheme Misoperation)<sup>6</sup> requires transmission owners, generator owners and transmission operators to document their analysis and/or mitigation due to

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<sup>5</sup> 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.

<sup>6</sup> 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 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.

certain misoperations on major transfer paths. This standard requires that documentation be kept for six years.

- VAR-002-WECC-2 (Automatic Voltage Regulators (AVR))<sup>7</sup> 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 associated reporting and recordkeeping requirements included in the standards above are not being revised, and the Commission will be submitting a request to OMB to extend these requirements 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);<sup>8</sup> and

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<sup>7</sup> 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.

<sup>8</sup> 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 Notice is available at 82 FR 16823 (April 6, 2017). Comments are due in Docket No. RD16-10-000 by June 5, 2017. See Docket No. RD16-10-000 for additional information (including the estimated annual burden reduction of 1,188 hours).

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

On March 10, 2017, NERC and WECC filed a joint petition in Docket No. RD17-5-000<sup>9</sup> 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. In this document, we provide estimates of the burden and cost related to those revisions to 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*<sup>10</sup>: 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.

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<sup>9</sup> The joint petition and exhibits are posted in the Commission’s eLibrary system in Docket No. RD17-5-000.

<sup>10</sup> 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.

*Estimate of Changes to Burden Due to Docket No. RD17-5:* The joint petition requested Commission approval of regional Reliability Standard VAR-501-WECC-3 and retirement of then-existing regional Reliability Standard VAR-501-WECC-2. The estimated effects on burden and cost<sup>11</sup> are as follow:

<b>FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council, Changes in Docket No. RD17-5-000</b>						
<b>Entity</b>	<b>No. of Respondents<sup>12</sup> (1)</b>	<b>Annual No. of Responses per Respondent (2)</b>	<b>Annual No. of Responses (1)*(2)=( 3)</b>	<b>Average Burden Hrs. &amp; Cost Per Response (\$) (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (\$) (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)=(6)</b>
<b>Retirement Of Former Standard VAR-501-WECC-2 and Associated Reductions</b>						
<i>Reporting Requirements (Annually)</i>						
Generator Operators	249	4	996	1 hr.; \$76.22	996 hrs.; \$75,915.12 (reduction)	\$304.88 (reduction)

<sup>11</sup> 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](http://bls.gov/oes/current/naics2_22.htm)) and benefits (<http://www.bls.gov/news.release/ecec.nr0.htm>) and are:

- Manager: \$89.07/hour
- Engineer: \$64.91/hour
- 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.

<sup>12</sup> The number of respondents is derived from the NERC Compliance Registry as of March 10, 2017.



<i>Recordkeeping Requirements (Annually)</i>						
Generator Operators	249	4	996	0.5 hrs.; \$31.19	498 hrs.; \$15,532.62 (reduction)	\$62.38 (reduction)
<b>Reductions (Annually)</b>					1,494 hrs.; \$91,447.74 (reduction)	
<b>New Standard VAR-501-WECC-3</b>						
<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 and/or Operators, in Year 2 and Ongoing	291	2	582	0.5 hrs.; \$15.595	291 hrs.; \$9,076.29	\$31.19
<b>New Burden, in Year 1</b>					1,746 hrs.; \$94,441.14	
<b>New Burden, in Year 2 &amp; Ongoing</b>					873 hrs.; \$53,884.47	
<b>Net Burden Change in Year 1</b>					<b>+252 hrs (increase)</b>	
<b>Net Burden Change in</b>					<b>-621 hrs. (decrease)</b>	

<b>Year 2 and Ongoing</b>						
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*Estimate of Continuing Annual Burden for Renewal and New Reliability Standard VAR-501-WECC-3:*<sup>13</sup> The Commission estimates the annual public reporting burden and cost<sup>14</sup> as follows for FERC-725E. (This information will be submitted to OMB for approval.)

These estimates reflect:

- Reliability Standards in FERC-725E which continue and remain unchanged (BAL-002-WECC-2a, BAL-004-WECC-02, FAC-501-WECC-1, IRO-006-WECC-2, PRC-004-WECC-2, and VAR-002-WECC-2);
- removal of burden due to the retirement of TOP-007-WECC-1a (discussed in Docket No. RD16-10-000)

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<sup>13</sup> The Commission is also removing 36 one-time burden hours associated with the requirements in Docket No. RM13-13. The one-time burden has been completed and will now be administratively removed on submittal to OMB. Those hours are not included in the table.

<sup>14</sup> 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](http://bls.gov/oes/current/naics2_22.htm)) and other associated benefits (<http://www.bls.gov/news.release/ecec.nr0.htm>) and are:

- Manager: \$89.07/hour
- Engineer: \$64.91/hour
- 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.

- additional burden due to VAR-501-WECC-3, and removal of burden due to the retirement of VAR-501-WECC-2 (detailed above and in Docket No. RD17-5-000).

(The burdens and costs related to TOP-007-WECC-1a and VAR-501-WECC-2 [the standards being retired] are omitted from the table below, which describes the new and continuing information collection requirements.)

<b>FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council [New and Continuing Information Collection Requirements]</b>						
<b>Entity</b>	<b>No. of Respondents<sup>15</sup> (1)</b>	<b>Annual No. of Responses per Respondent (2)</b>	<b>Annual No. of Responses (1)*(2)=(3 )</b>	<b>Average Burden Hrs. &amp; Cost Per Response (\$) (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (\$) (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)=( 6)</b>
<b>Reporting Requirements</b>						
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

<sup>15</sup> 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
<b>Sub-Total for Reporting Requirement in Year 1</b>					<b>7,911 hrs.;</b> <b>\$609,067.89</b>	
<b>Sub-Total for Reporting Requirement Burden in Year 2 &amp; ongoing</b>					<b>7,620 hrs.;</b> <b>\$586,663.80</b>	
<b>Recordkeeping Requirements</b>						
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	291	3	873	1 hr.;	873 hrs.;	\$93.57

Owners and/or Operators, in Year 1, per RD17-5 for VAR-501-WECC-3					\$31.19	\$27,228.87		
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
<b>Sub-Total for Recordkeeping Requirements in Yr. 1</b>						<b>1,611.4 hrs.;</b>	<b>\$50,259.57.</b>	
<b>Sub-Total for Recordkeeping Requirements in Yr. 2 &amp; ongoing</b>						<b>1,029.4 hrs.;</b>	<b>\$32,106.99</b>	
<b>TOTAL FOR FERC-725E, IN YR. 1</b>						<b>9,522.4 hrs.;</b>	<b>\$659,327.46</b>	
<b>TOTAL FOR FERC-725E, IN YR. 2 &amp; ONGOING</b>						<b>8,649.4 hrs.;</b>	<b>\$618,770.79</b>	

*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.