

Supporting Statement for
**FERC-567, Gas Pipeline Certificates: Annual Reports of System Flow Diagrams
and System Capacity**
(Three-year extension requested)

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and extend its approval to information collection requirements in FERC-567, (Gas Pipeline Certificates: Annual Reports of System Flow Diagrams and System Capacity, OMB Control No. 1902-0005).

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

Under the Natural Gas Act (NGA)¹, a natural gas company must obtain FERC authorization to engage in the transportation of natural gas in interstate commerce, to undertake the construction or extension of any facilities, or to acquire or operate any such facility. The Commission is authorized to make investigations and to collect and record data, to the extent the Commission may deem necessary or useful for the purpose of carrying out the provisions of the NGA.

- Section 7 authorizes the Commission to process certificate applications and to analyze impacts of market expansions of new facilities.
- Section 10(a) authorizes the Commission to collect special reports from natural gas companies.
- Section 16 provides the Commission administrative power to establish rules, regulations, and orders.

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

The Commission uses the information collected under the requirements of the FERC-567 to obtain accurate data on pipeline facilities. More specifically, the Commission utilizes the FERC-567 data to validate the need for new facilities proposed by pipelines in certificate applications. By modeling a pipeline applicant's system, Commission staff utilizes the FERC-567 data to determine configuration/location of installed pipeline facilities, and verify and determine the receipt and delivery points between shippers, producers and pipeline companies. Additionally, the Commissions uses the FERC-567 to determine the location of receipt and delivery points and emergency interconnections on a pipeline system, determine the location of pipeline segments, laterals and compressor stations on a pipeline system, verify pipeline segment lengths and pipeline diameters,

¹ Public Law 75-688

justify the maximum allowable operating pressures and suction and discharge pressures at compressor stations, verify the installed horsepower and volumes compressed at each compressor station, determine the existing shippers and producers currently using each pipeline company, and develop and evaluate alternatives to proposed facilities as a means to mitigate environmental impact of new pipeline construction.

18 CFR 260.8 requires each major natural gas² pipeline to file five (5) copies of a diagram or diagrams reflecting operating conditions on the pipeline's main transmission system³ with the Commission by June 1st of each year. However, these reports may be submitted by eFiling. If that option is selected by the respondent, there is no requirement for any paper copies.

These data are physical/engineering data not included as part of any other data collection requirement.

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

The Commission continues to expand the list of filing types that may be submitted electronically (as described at <http://www.ferc.gov/docs-filing/efiling/filing.pdf>). The FERC-567 (usually with a security level of Critical Energy Infrastructure Information [CEII]) may be submitted electronically through the FERC's eFiling system.

As stated previously, 18 CFR 260.8 requires each major natural gas⁴ pipeline to file five (5) copies of a diagram or diagrams reflecting operating conditions on the pipeline's main transmission system⁵ with the Commission by June 1st of each year. However, these reports may be submitted by eFiling. If that option is selected by the respondent, there is no requirement for any paper copies.

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 information collection expiration dates arise or as the Commission may deem necessary in carrying out its regulatory responsibilities under the NGA in an effort to alleviate duplication. All Commission information collections are subject to analysis by Commission staff and are examined for

2 A pipeline having a system delivery capacity exceeding 100,000 Mcf per day.

3 For the prior 12 months ending December 31

4 A pipeline having a system delivery capacity exceeding 100,000 Mcf per day.

5 For the prior 12 months ending December 31

redundancy. The Commission is unaware of any other source of information similar to the additional requirements.

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

Small entities have the option of filing electronically through the eFiling interface as a means of reducing their incurred burden. This is how the Commission attempts to minimize the burden of FERC-567 upon small entities. However, eFiling is a means of submission available to all respondents with no regard to size.

The burden will vary among applicants since the information should be specific for each applicant and site.

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

The consequence of not collecting or collecting this information less frequently would be the Commission's inability to fulfill its statutory mandates under the NGA and its Rules of Practice and Procedure. The Commission uses system flow diagrams for regulatory purposes in connection with processing applications filed by interstate pipelines under Sections 7(a), 7(b), and 7(c) of the NGA. Various investigations and pipeline operations use this information in order to show interconnections with other pipelines, locations of gas supply sources, and the flow of gas and interconnections with customers' facilities.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

If a FERC-567 respondent opts to respond electronically, the requirements of 5 CFR 1320.5 are met. However, if an applicant opts not to file electronically, they would have to submit five (5) copies per 18 CFR 260.8. While the Commission encourages applicants to submit their filings electronically, this is the applicant's option.

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

In accordance with OMB requirements⁶, each FERC activity that results in the revision of an information collection is published in the Federal Register thereby providing the public, state commissions, Federal agencies, and other interested parties an opportunity to

⁶5 CFR 1320.8(d)

submit data, views, comments, and/or suggestions concerning the approved collections of data. The Commission published a 60-day notice on 07/11/2018.⁷ The 30-day notice is being published.

Within the public notice, the Commission noted that it would be requesting a three-year extension of the public reporting burden. The Commission received no comments from the public in response to the 60-day notice. .

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to respondents associated with FERC-567.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission classified the FERC-567 data (filed under 18 CFR 260.8) within the definition of CEII and, thus, public access to this data is limited.

Shortly after the terrorist attacks on 9/11/2001, the Commission began specifically outlining CEII. First, the Commission removed documents (such as oversized maps) that were likely to contain detailed specifications of facilities from its public files and Internet pages. Then, the Commission directed the public to use the Freedom of Information Act (FOIA) request process to obtain this type of information. The Commission maintains a continuing commitment to protect information regarding critical energy infrastructure by evaluating the effectiveness of the CEII regulations and to making necessary changes. Since 2001, the Commission refined several of its CEII regulations addressing both entities submitting CEII materials and requesters seeking access to CEII materials. (Additional information on FERC's CEII program and related landmark orders is available at <http://www.ferc.gov/legal/maj-ord-reg/land-docs/ceii-rule.asp> .)

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

The Commission does not consider any of the questions within the FERC-567 of a sensitive nature that would be considered private. However, the Commission considers the FERC-567 information as sensitive to the nation's energy infrastructure because the data contains location and operational data on the nation's natural gas pipelines. Therefore, the FERC-567 information is classified as CEII (described in greater depth within Question #10).

⁷ 83 FR 32119

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

Based on the Commission’s recent information with the burden of FERC-567, the estimated burden⁸ and cost is:

FERC-567: Gas Pipeline Certificates: Annual Reports of System Flow Diagrams and System Capacity						
	Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hours & Cost Per Response⁹ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
FERC-567 Applicants	197	1	197	3 hrs.; \$ 237	591 hrs.; \$46,689	\$237

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no non-labor costs currently associated with the FERC-567.

All costs are associated with burden hours (labor) and are addressed in Question #12 and Question #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimated annualized cost to the Federal Government for FERC-567 follows:

⁸ 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. Refer to 5 CFR 1320.3 for additional information.

⁹ The estimates for cost per response are derived using the following formula: 2018 Average Burden Hours per Response * \$79 per Hour = Average Cost per Response. The hourly cost figure of \$79 is the 2018 average FERC hourly cost for wages plus benefits. We assume for FERC-567 that respondents earn at a similar rate.

	Number of Hours or FTE's	Estimated Annual Federal Cost (\$) ¹⁰
PRA ¹¹ Administration Cost ¹²	1	\$4,931.00
Data Processing and Analysis	0.50	\$82,410.00
FERC Total		\$87,341.00

The Commission bases its estimate of the ‘Analysis and Processing of filings’ cost to the Federal Government on salaries and benefits for professional and clerical support. This estimated cost represents staff analysis, decision making, and review of any actual filings made in response to the information collection.

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, and other changes to the collection.

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

There is an increase (adjustment in estimate) from 93 responses to 197 respondents and responses and an increase from 279 burden hours to 591 annual burden hours in this renewal.

The burden for FERC-567 has increased due to the additional pipeline companies formed and reporting during this renewal period.

The Commission estimates the annual public reporting burden for the information collection as:

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
FERC-567				
Annual Number of Responses	197	93	104	0

¹⁰ Based on 2018 cost (salary plus benefits) per FTE of \$164,820 or \$79.00 per hour.

¹¹ Paperwork Reduction Act of 1995 (PRA).

¹² The PRA Administration Cost is \$4,931, and includes preparing supporting statements, notices, and other activities associated with Paperwork Reduction Act compliance.

Annual Time Burden (Hr)	591	279	312	0
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

FERC does not publish any data associated with this collection.

17. DISPLAY OF THE EXPIRATION DATE

The expiration date is displayed in a table posted on ferc.gov at <http://www.ferc.gov/docs-filing/info-collections.asp>.

The expiration date is not displayed upon the FERC-567 since there is no form associated with the information collection.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.