

Supporting Statement for  
**FERC Form 714, Annual Electric Balancing Authority Area and Planning Area  
Report**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC Form 714, (Annual Electric Balancing Authority Area and Planning Area Report)**, for a three-year period. FERC Form 714 (OMB Control No. 1902-0140) is an existing Commission data collection as described in 18 Code of Federal Regulations (CFR) 141.51.

**1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION  
NECESSARY**

The Commission uses the collected data to analyze power system operations along with its regulatory functions. These analyses estimate the effect of changes in power system operations resulting from the installation of a new generating unit or plant, transmission facilities, energy transfers between systems, and/or new points of interconnections. Also, these analyses serve to correlate rates and charges, assess reliability and other operating attributes in regulatory proceedings, monitor market trends and behaviors, and determine the competitive impacts of proposed mergers, acquisitions, and dispositions.

The Federal Power Act authorizes the Commission to collect information from electric utility balancing authorities and planning areas in the United States. The Commission implements the data collection requirements in 18 CFR 141.51.

**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 FERC Form 714 data to analyze power system operations. The result of these analyses estimate the effect of changes in power system operations resulting from the installation of a new generating unit or plant, transmission facilities, energy transfers between systems, and/or new points of interconnections. The FERC Form 714 data assists in providing a broad picture of interconnected balancing authority area operations including comprehensive information of balancing authority area generation, actual and scheduled inter-balancing authority area power transfers, and net energy for load, summer and winter generation peaks and system lambda. The

Commission also uses the data to prepare status reports on the electric utility industry including a review of inter-balancing authority area bulk power trade information.

The Commission uses the collected data from planning areas to monitor forecasted demands by electric utilities with fundamental demand responsibilities and to develop hourly demand characteristics<sup>1</sup>. FERC uses FERC-714 to see the generation needed to meet the load in Regional Transmission Organizations (RTOs

The Form 714 data are also used by researchers, academia, and industry professionals to identify the generation resources in a Balancing Authority Area, the hourly lambda pricing (\$/MWh), the load demand of a Planning Authority Area, and the load forecasts for an area.

The consequence of not collecting the information contained within the FERC Form714 would be impeded support for the Commission's regulatory functions associated with the processing of rate applications and cases, proposed mergers and dispositions of jurisdictional facilities, and understanding of the planning and operational needs of the grid. The Commission, other federal and state regulatory agencies, transmission users, and the public may lose a capability of monitoring the operations of the wholesale electric market for possible abuses of market power and the environment, and the efforts of electric utility entities in ensuring that resource capabilities could sufficiently and reliably meet system peak and forecast loads.

Additionally, the Commission would fail to meet its statutory mandates.

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

---

<sup>1</sup> The entities that are supposed to submit are ones designated as a NERC Balancing Authority (BA) and/or Planning Authority (PA). The BA submits the generation in its area to meet the load; while, the PA submits the hourly load demand and load forecasts for its area.

“Load demand” is the power need of the utilities to serve their customers. Customers can be any entity from industrial, commercial, or residential power consumers.

Submission of the FERC Form714 occurs annually and electronically through the FERC Form714 Submission Software. For any necessary resubmissions, the FERC Form714 Submission Software should be used to resubmit the filing.

For information regarding the FERC Form714 Submission Software, go to <http://www.ferc.gov/docs-filing/forms/form-714/elec-subm-soft.asp>. For additional guidance on the FERC Form714, go to <https://www.ferc.gov/docs-filing/forms.asp#714>

**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 responsibilities, in order to eliminate duplication and ensure that filing burden is minimized. The Commission believes there are similar sources of information available, but FERC Form 714 has some unique data collection that is beneficial to Commission staff and industry.

One similar source is the U.S. Energy Information Administration (EIA) form EIA-930: Hourly and Daily Balancing Authority Operations Report provides near real-time status and trends of the electric power industry. However, the EIA-930 does not include more granular data on generating plant capabilities, identification of adjacent interconnections, or system lambda. Also, there are no other Federal agencies responsible for obtaining planning area-level data consisting of forecasted demands and hourly demand characteristics from electric utility entities with fundamental demand responsibilities.<sup>2</sup> These items noted are included in the form FERC Form714.

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

The Commission attempts to impose the least burden possible upon respondents in any requirements for data and any requisite filings made. With specific regard to the FERC Form714, the Commission requires each balancing authority area and each electric utility with its planning area annual peak demand greater than 200 megawatts (MW) to provide

---

<sup>2</sup> 166 FERC ¶ 61,027 Notice of Proposed Rulemaking: Revisions to the Filing Process for Commission Forms. Docket No. RM19-12-000. Issued January 17, 2019.

the FERC Form 714 filing as a means of reducing burden for small entities. This 200 MW threshold can result in a slight variation year to year in the number of balancing authorities and planning areas that are required to file the FERC Form 714. Small entities may have personnel constraints, and a significant increase in burden may be caused by requiring these entities to submit the FERC Form 714 filing, so setting a 200 MW threshold will exempt many of these small entities from having to respond to this collection.

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

Some of the information in particular filings may change markedly from one year to the next. If the information were collected less frequently, the Commission would be unable to perform its mandated review and oversight in a timely and accurate manner.

The information collected is used on a continual basis by:

- the Commission staff to review rates and charges, reliability issues and market structure relationships;
  - the U.S. Environmental Protection Agency to monitor the environmental impacts of electric generation as the power industry has become more competitive;
  - the U.S. Energy Information Administration to model various electricity markets;
- and
- other federal and state regulatory authorities, market participants and the public to access and monitor the wholesale electric market and to determine the competitive impacts of proposed mergers and acquisitions.

#### **7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION**

There are no special circumstances related to this collection.

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

In accordance with OMB requirements<sup>3</sup>, the Commission published a 60-day notice<sup>4</sup> to the public regarding this information collection on 11/7/2018. The 30-day notice<sup>5</sup> published in the Federal Register on 3/14/2019. Within the public notice, the Commission noted that it would be requesting a three-year extension of the public reporting burden with no change to the existing requirements concerning the collection of data. No comments were received on the 60-day notice.

## **9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS**

There are no payments or gifts to FERC Form714 respondents.

## **10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS**

The Commission generally does not consider the information collected in FERC Form714 filings to be confidential. However, the filer may request privileged treatment of a filing that may contain information harmful to the competitive posture of the applicant if released to the general public.<sup>6</sup>

The instructions to the form state that:

“Sanctions and Confidentiality Statements

This report is mandatory under the Federal Power Act. Late filing or failure to file, keep records, or comply with these instructions may result in criminal fines, civil penalties, and other sanctions as provided by law. Data reported on the Form 714 are not confidential.”

## **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 Form714 of a sensitive nature that would be considered private.

---

<sup>3</sup> 5 CFR 1320.8(d)

<sup>4</sup> 83 FR 55714

<sup>5</sup> 84 FR 9324

<sup>6</sup> 18 CFR 388.112

**12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION**

The Commission estimates the annual public reporting burden<sup>7</sup>: The Commission estimates the annual public reporting burden and cost (rounded) for the information collection as follows:

FERC Form 714 (Annual Electric Balancing Authority Area and Planning Area Report)					
Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden & Cost Per Response <sup>8</sup> (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
176	1	176	87 hrs.; \$6,264	15,312 hrs.; \$1,102,464	\$6,264

**13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

There are no non-labor costs. All costs are related to burden hours and are addressed in Questions #12 and #15.

**14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT**

		Number of Employees (FTEs)	Estimated Annual Federal Cost

<sup>7</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 CFR 1320.3.

<sup>8</sup> The estimated hourly cost (for salary plus benefits) uses the figures from the Bureau of Labor Statistics, May 2017, for the listed reporting requirements. These figures include salary ([https://www.bls.gov/oes/current/naics2\\_22.htm](https://www.bls.gov/oes/current/naics2_22.htm)) and benefits (<http://www.bls.gov/news.release/ecec.nr0.htm>) and are:

- Management (Code 11-0000), \$94.28/hr.
- Computer and mathematical (Code 15-0000), \$63.25/hr.
- Electrical Engineers (Code 17-2071), \$66.90/hr.
- Economist (Code 19-3011), \$71.98/hr.
- Computer and Information Systems Managers (Code 11-3021), \$96.51/hr.
- Accountants and Auditors (Code 13-2011), \$56.59/hr.
- Transportation, Storage, and Distribution Managers (Code 11-3071), \$75.34/hr.
- Power Distributors and Dispatchers (Code 51-8012), \$53.48/hr.

The average hourly cost (wages plus benefits) for the above wages is \$72.29/hour (rounded to \$72.00/hour)

Analysis and Processing of filings <sup>9</sup>		0.2 <sup>10</sup>	\$32,964
PRA <sup>11</sup> Administration Cost <sup>12</sup>		-	\$4,931
Capital Cost <sup>13</sup>		0	0
<b>FERC Total</b>			<b>\$37,895</b>

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.

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

The requirements in FERC Form 714 did not change. The Commission determined the annual number of responses by referencing the NERC Compliance Registry list. The registered entities that possessed either a balancing authority or planning area function

<sup>9</sup> The cost figure is the 2018 FERC average salary plus benefits (\$164,820/year or \$79/hour). FERC staff estimates that industry costs for salary plus benefits are similar to Commission costs.

<sup>10</sup> The 0.2 FTE 255 analysis and processing of filings and 75% IT work (including maintenance and troubleshooting).

<sup>11</sup> Paperwork Reduction Act of 1995 (PRA).

<sup>12</sup> The Paperwork Reduction Act (PRA) Administrative Cost is a Federal Cost associated with preparing, issuing, and submitting materials necessary to comply with the 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, as well as necessary publications in the Federal Register.

<sup>13</sup> FERC has no additional capital cost because we are not making changes to the current collection or system at this time.

The FERC-714 is part of the Forms Refresh effort in Docket No. RM19-12; that docket and associated changes are addressed separately and not in this renewal request.

were aggregated to determine the total number of responses. The annual number of affected entities and responses is not expected to change.

The following table shows the total burden of the collection of information. The format, labels, and definitions of the table follow the ROCIS submission system’s “Information Collection Request Summary of Burden” for the metadata.

<b>FERC Form714</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	176	176	0	0
Annual Time Burden (Hr.)	15,312	15,312	0	0
Annual Cost Burden (\$)	0	0	0	0

**16. TIME SCHEDULE FOR PUBLICATION OF DATA**

There are no tabulating, statistical or tabulating analysis or publication plans for the collection of information. The data are used for regulatory purposes only.

**17. DISPLAY OF EXPIRATION DATE**

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

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.