

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. IC18-19-000]

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

(January 9, 2019)

**AGENCY:** Federal Energy Regulatory Commission.

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

**SUMMARY:** In compliance with the requirements of the Paperwork Reduction Act of 1995, the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on the currently approved information collection FERC-725 (Certification of Electric Reliability Organization; Procedures for Electric Reliability Standards) 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. On September 27, 2018, the Commission published a Notice in the Federal Register in Docket No. IC18-19-000 requesting public comments. The Commission received one public comment which is addressed here and in the related submittal to OMB.

**DATES:** Comments on the collection of information are due **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Comments filed with OMB, identified by OMB Control No. 1902-0225, should be sent via email to the Office of Information and Regulatory Affairs:

[aira\\_submission@omb.gov](mailto:aira_submission@omb.gov). Attention: Federal Energy Regulatory Commission Desk Officer.

A copy of the comments should also be sent to the Commission, in Docket No. IC18-19-000, 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 CONTACT:** 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-725, Certification of Electric Reliability Organization; Procedures for Electric Reliability Standards.

*OMB Control No.:* 1902-0225

*Type of Request:* Three-year extension of the FERC-725 information collection requirements with no changes to the current reporting and recordkeeping requirements.

*Abstract:* The FERC-725 contains the following information collection elements:

Self Assessment and ERO (Electric Reliability Organization) Application: The Commission requires the ERO to submit to FERC a performance assessment report every five years. The next assessment is due in 2019. Each Regional Entity submits a performance assessment report to the ERO.

Submitting an application to become the ERO is also part of this collection.<sup>1</sup>

Reliability Assessments: 18 CFR 39.11 requires the ERO to assess the reliability and adequacy of the Bulk-Power System in North America. Subsequently, the ERO must report to the Commission on its findings. Regional entities perform similar assessments within individual regions. Currently the ERO submits to FERC three assessments each year: long term, winter, and summer. In addition, the North American Electric Reliability Corporation (NERC, the Commission-approved ERO) also submits various other assessments as needed.

Reliability Standards Development: Under section 215 of the FPA, the ERO is charged with developing Reliability Standards. Regional Entities may also develop regional specific standards.

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<sup>1</sup> The Commission does not expect any new ERO applications to be submitted in the next five years and is not including any burden for this requirement in the burden estimate. FERC still seeks to renew the regulations pertaining to a new ERO application under this renewal but is expecting the burden to be zero for the foreseeable future. 18 CFR 39.3 contains the regulation pertaining to ERO applications.

Reliability Compliance: Reliability Standards are mandatory and enforceable upon approval by the Commission. In addition to the specific information collection requirements contained in each standard (cleared under other information collections), there are general compliance, monitoring and enforcement information collection requirements imposed on applicable entities. Audits, spot checks, self-certifications, exception data submittals, violation reporting, and mitigation plan confirmation are included in this area.

Stakeholder Survey: The ERO uses a stakeholder survey to solicit feedback from registered entities<sup>2</sup> in preparation for its three year and five year self-performance assessment. The Commission assumes that the ERO will perform another survey prior to the 2019 self- assessment.

Other Reporting: This category refers to all other reporting requirements imposed on the ERO or regional entities in order to comply with the Commission's regulations. For example, FERC may require NERC to submit a special reliability assessment. This category captures these types of one-time filings required of NERC or the Regions. The Commission implements its responsibilities through 18 CFR Part 39.

*Type of Respondent*: Electric Reliability Organization, Regional entities, and registered entities.

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<sup>2</sup> A "registered entity" is an entity that is registered with the ERO. All Bulk-Power System owners, operators and users are required to register with the ERO. Registration is the basis for determining the Reliability Standards with which an entity must comply. See <http://www.nerc.com/page.php?cid=3%7C25> for more details.

*Summary and Response to Public Comment:* In response to the Notice of Information Collection and Request for Comments published in the Federal Register on September 21, 2018, the Commission received one comment from Utility Services, Inc. The comment sought clarification on certain compliance provisions contained in the Rules of Procedure of the North American Electric Reliability Corporation (NERC), which are approved by the Commission. The comment maintained that, depending on the Commission's answer, the information collection burden on applicable entities associated with the application of the NERC Rules of Procedure could be affected.

The Commission finds this proceeding is not the proper forum to request clarification regarding the scope and application of the NERC Rules of Procedure. Such requests may be directed to NERC or, more formally, through a petition to the Commission proposing changes to the NERC Rules of Procedure. Such a request, if filed with the Commission, would be addressed after notice and opportunity for comment and the development of a record. By contrast, while the comment states that the request for clarification is motivated by uncertainty among applicable entities (i.e., the commenter's unnamed clients), that assertion is unsubstantiated. In addition, the provisions in the NERC Rules of Procedure referenced by the commenter were approved by the Commission in response to a petition filed by NERC, to which no comments were received.

*Estimate of Annual Burden*<sup>3</sup>: The Commission estimates the total annual burden and cost<sup>4</sup> for this information collection in the table below. For hourly cost (for wages and benefits), we estimate that 70% of the time is spent by Electrical Engineers (code 17-2071, at \$66.90/hr.), 20% of the time is spent by Legal (code 23-0000, at \$143.68/hr.), and 10% by Office and Administrative Support (code 43-0000, at \$41.34/hr.). Therefore, we use the weighted hourly cost (for wages and benefits) of \$79.70 {or [(0.70) \* (\$66.90/hr.)] + [(0.20) \* \$143.68/hr.] + [(0.10) \* \$41.34/hr.]}

<b>FERC-725, Certification of Electric Reliability Organization; Procedures for Electric Reliability Standards</b>						
<b>Type of Respondent</b>	<b>Type of Reporting Requirement</b>	<b>No. of Respondents (A)</b>	<b>Annual No. of Responses Per Respondent (B)<sup>5</sup></b>	<b>Total No. of Responses (A)x(B)=(C)</b>	<b>Average Burden Hours &amp; Cost (\$) per Response (rounded) (D)</b>	<b>Estimated Total Annual Burden Hrs. &amp; Cost (\$) (rounded) (C)x(D)</b>
Electric Reliability Organization (ERO)	Self-Assessment	1	.2	.2	4,160 hrs.; \$331,552	832 hrs.; \$66,310
	Reliability Assessments		5.5	5.5	15,600 hrs.; \$1,243,320	85,800 hrs.; \$6,838,260
	Reliability Compliance		2	2	20,280 hrs.; \$1,616,316	40,560 hrs.; \$3,232,632
	Standards Development		1	1	21,840 hrs.; \$1,740,648	21,840 hrs.; \$1,740,648
	Other Reporting		1	1	2,080 hrs.; \$165,776	2,080 hrs.; \$165,776
<i>ERO, Sub-Total</i>						<i>151,112</i>

<sup>3</sup> “Burden” is 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 Title 5 Code of Federal Regulations 1320.3.

<sup>4</sup> Costs (for wages and benefits) are based on wage figures from the Bureau of Labor Statistics (BLS) for May 2017 (at [https://www.bls.gov/oes/current/naics2\\_22.htm](https://www.bls.gov/oes/current/naics2_22.htm)) and benefits information (at <https://www.bls.gov/news.release/ecec.nr0.htm>) -

<sup>5</sup> In instances where the number of responses per respondent is “1,” the Commission Staff thinks that the actual number of responses varies and cannot be estimated accurately.

						<i>hrs.;</i> \$12,043,626
Regional Entities	Self-Assessment		.2	1.4	4,160 hrs.;	5,824 hrs.;
					\$331,552	\$464,173
	Reliability Assessments		1	7	15,600 hrs.;	109,200 hrs.;
					\$1,243,320	\$8,703,240
	Reliability Compliance		1	7	37,440 hrs.;	262,080 hrs.;
					\$2,983,968	\$20,887,776
	Standards Development		1	7	2,340 hrs.;	16,380 hrs.;
					\$186,498	\$1,305,486
	Other Reporting	7	1	7	1,040 hrs.;	7,280 hrs.;
					\$82,888	\$580,216
<i>Regional Entities, Sub-Total</i>						400,764 <i>hrs.;</i> \$31,940,891
Registered Entities	Stakeholder Survey		.2	281.8	8 hrs.;	2,254 hrs.;
					\$637.60	\$179,676
	Reliability Compliance	estimated 1,409	1	1,409	400 hrs.;	563,600 hrs.;
					\$31,880	\$44,918,920
<i>Registered Entities, Sub-Total</i>						565,854 <i>hrs.;</i> \$45,098,596
<b>Total Burden Hrs. and Cost</b>						1,117,730 <i>hrs.;</i> \$89,083,113

As indicated in the table, there was a decrease from eight to seven in the number of Regional Entities because the Southwest Power Pool dissolved in 2018. Other changes from previous estimates are based on new data in the proposed NERC 2019 Business Plan and Budget to reflect changes in the number of FTEs (full-time equivalent employees) working in applicable areas. Reviewing the NERC Compliance database, we determined the number of unique U.S. entities is 1,409 (compared to the previous value

of 1,446). Lastly, in several instances, the amount of time an FTE devotes to a given function may have been increased or decreased.

*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.