FERC-730 (OMB Control No. 1902-0239)
Renewal in Docket No. IC19-15
(Updated 3/20/2020, Docket No. RM20-11 Clarification to Instructions)

Supporting Statement for
FERC-730 (Report of Transmission Investment Activity)

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve for a three-year period the FERC-730 (Report of Transmission Investment Activity) (OMB Control No. 1902-0239). FERC-730 is an existing data collection with reporting requirement in 18 Code of Federal Regulations (CFR) Section 35.35(h).

> At the request of OMB and to ensure compliance with the Administrative Procedure Act and the Paperwork Reduction Act of 1995 (PRA), FERC clarified the instructions to the FERC-730. (The Commission did not change the reporting requirements.) The Final Rule (Order No. 869) was issued on 3/19/2020 in Docket No. RM20-11-000 and included the form and clarified instructions. The Order is posted in FERC's eLibrary at https://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=15487516.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

To promote the development of needed energy infrastructure, Congress enacted Section 1241 of the Energy Policy Act of 2005 which added a new Section 219 to the Federal ower Act (FPA). Pursuant to the directives of Section 219 of the FPA, the Commission issued Order No. 679[1], which adopted an annual reporting requirement (FERC-730) for utilities that receive incentive rate treatment for specific transmission projects. Public utilities granted incentive-based rate treatment for specific transmission projects under the provisions of 18 CFR 35.35 (h) must file the FERC-730. The information collected in the FERC-730 is necessary for the Commission to evaluate its incentive rates policies, and to demonstrate the effectiveness of these policies. Further, the FERC-730 filing requirement allows the Commission to track the progress of electric transmission projects granted incentive-based rates, providing an accurate assessment of the state of the industry with respect to transmission investment, and ensuring that incentive rates are effective in encouraging the development of appropriate transmission infrastructure.

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

The information collected in the FERC-730 is necessary for the Commission to evaluate

1 *Promoting Transmission Investment through Pricing Reform*, Order No. 679, 116 FERC ¶ 61,057, *order on reh'g*, Order No. 679-A, 117 FERC ¶ 61,345 (2006), *order on reh'g*, 119 FERC ¶ 61,062 (2007).

its incentive rates policies and to demonstrate the effectiveness of these policies. Without it, the Commission would have difficulty tracking the progress of electric transmission projects granted incentive-based rates and would have difficulty assessing the state of the industry with respect to transmission investment and tracking whether incentive rates are effective in encouraging the development of appropriate transmission infrastructure.

The FERC-730 tracks data such as incremental investment costs for each of the succeeding five (5) calendar years as defined within 18 CFR Part 101 Accounts 350-359. These capital investments could incorporate explicit costs as applicable to land/land rights in connection to transmission operations, any structure/improvements used in connection with transmission operations, or other investments made to change or improve transmission operations. Information regarding expected project status and completion date is also included within FERC-730 data. The data must be filed by April 18^{h} of the year following issuance of the applicable incentive-based rate. Subsequent filings are due each April 18 thereafter.

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

The Commission implemented the capability and requirement for filing FERC-730 in various formats including the capability of electronic filing via eFiling on the Commission's webpage.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATON 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.

The information required in FERC-730 is not available from FERC Form Nos. 1, 714 or 715, nor is it available from other federal agencies or any other source. For instance, FERC Form No. 1 requires the reporting of historical financial data but does not contain projections of expected transmission investments. Thus, the information sought is not available from another source and is required only from public utilities that have been granted incentive rate treatment for specific transmission projects under the provisions of § 35.35.

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

The Commission anticipates that the high cost of construction of transmission facilities and the requirements to finance complex and costly transmission projects are generally not conducive to small entities' entry into this field as defined by the Regulatory Flexibility Act (RFA). Therefore, the Commission concludes that these requirements would not have a significant economic impact on a substantial number of small entities who are public utilities since small public utilities are generally not present within this respondent universe.

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

If this information was not collected, the Commission would have difficulty determining effectiveness of transmission incentives and gaining an accurate assessment of the state of the industry with respect to transmission investment.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION

The FERC-730 information collection presents no special circumstances.

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

In accordance with OMB requirements[2], the Commission published a 60-day notice[3] and a 30-day notice[4] to the public regarding this information collection on 2/25/2019 and 5/7/2019 respectively. 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 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 the FERC-730 information collection.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The information contained in FERC-730 is publically available. However, the Commission will consider specific requests for confidential treatment (e.g. Critical

2 5 CFR 1320.8(d).

3 84 FR 5996

4 84 FR 19913

Energy/Electric Infrastructure Information [CEII] or non-public) to the extent permitted by law.[5]

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

There are no questions of a sensitive nature associated with the reporting requirements.

12. ESTIMATED BURDEN COLLECTION OF INFORMATION

The Commission estimates the annual public reporting burden[6] and cost[7] (rounded).

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Number of Respondents (1)	**Annual Number of Responses per Respondent (2)**	**Total Number 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)**
63	1	63	30 hrs.; $2,370	1,890 hrs.; $149,310	$2,370

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up or other non-labor costs.

Total Capital and Start-up cost: $0
Total Operation, Maintenance, and Purchase of Services: $0

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5 18 C.F.R. §§ 388.112 and 388.113. More information on the CEII definition, program, and requirements is posted at http://www.ferc.gov/legal/ceii-foia/ceii.asp.

6 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.

7 The estimates for cost per response are derived using the formula: Average Burden Hours per Response * $79.00 per hour = Average Cost per Response. The hourly cost figure comes from the FERC average salary plus benefits of $164,820 per year (or $79.00/hour). These estimates were updated in May 2018. This figure is being used because the staff thinks industry is similarly situated in terms of average hourly cost (wages plus benefits).

All of the costs in the information collection are associated with burden hours (labor) and discussed in Questions #12 and #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

	Number of Employees (FTE)	**Estimated Annual Federal Cost**
Analysis and Processing of Filings[8]	0.3	$49,446
PRA[9] Administrative Cost[10]		$4,931
FERC Total		$54,377

The Commission bases its estimate of the "Analysis and Processing" 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 actual filings.

The Paperwork Reduction Act (PRA) Administrative Cost is the average annual FERC 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. It also includes the cost of publishing the necessary notices in the Federal Register.

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

There are no changes to the reporting requirements. Therefore, there is no change to the annual burden for the FERC-730 information collection.

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.

8 Based upon 2015 FTE average annual salary plus benefits ($149,489.00).
9 Paperwork Reduction Act of 1995 (PRA).
10 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.

FERC-730	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	63	63	0	0
Annual Time Burden (Hours)	1,890	1,890	0	0
Annual Cost Burden ($)	$0	$0	$0	$0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no data publications.

17. DISPLAY OF EXPIRATION DATE

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

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.