

Supporting Statement
**FERC-725N, Mandatory Reliability Standards: Transmission Planning (TPL)
Reliability Standards,**
NOPR in Docket No. RM19-10-000

The reporting and recordkeeping requirements for Reliability Standard TPL-001-5 (Transmission System Planning Performance Requirements)¹ are being included in FERC-725N, as discussed in the NOPR in Docket No. RM19-10-000. The Federal Energy Regulatory Commission (FERC or Commission) is requesting that the Office of Management and Budget (OMB) approve the reporting and recordkeeping requirements in FERC-725N.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

On August 8, 2005, The Electricity Modernization Act of 2005, which is Title XII of the Energy Policy Act of 2005 (EPAcT 2005), was enacted into law.² EPAcT 2005 added a new section 215 to the Federal Power Act (FPA), which requires a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight.

Pursuant to section 215(d)(2) of the Federal Power Act (FPA),³ the Commission proposes to approve Reliability Standard TPL-001-5 (Transmission System Planning Performance Requirements). The North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO), submitted the proposed Reliability Standard TPL-001-5 for Commission approval to address: (1) reliability issues concerning the study of single points of failure of protection systems discussed in Order No. 754;⁴ and (2) directives from Order No. 786⁵ regarding planned maintenance outages and stability analysis for spare equipment strategy.

1 16 U.S.C. 824o(d)(2) (2012).

2 The Energy Policy Act of 2005, Pub. L. No 109-58, Title XII, Subtitle A, 119 Stat. 594, 941 (2005), codified at 16 U.S.C. 824o (2000).

3 16 U.S.C. 824o(d)(2) (2012).

4 In Order No. 754, the Commission determined that there is “an issue concerning the study of the non-operation of non-redundant primary protection systems; e.g., the study of a single point of failure on protection systems.” *Interpretation of Transmission Planning Reliability Standard*, Order No. 754, 136 FERC ¶ 61,186, at P 19 (2011). The phrases “non-operation of a non-redundant component of a protection system” and “protection system single points of failure” are used interchangeably in this memorandum.

5 *Transmission Planning Reliability Standards*, Order No. 786, 145 FERC ¶ 61,051 (2013).

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

Proposed Reliability Standard TPL-001-5 requires each planning authority and transmission planner to perform an annual planning assessment of its portion of the bulk electric system considering a number of system conditions and contingencies. The proposed Reliability Standard employs a risk-based approach to the study of contingencies and the types of corrective action that are required if the entity's system cannot meet the specified performance requirements.⁶ For scenarios considered to be more commonplace (i.e. planning events), the planning entity must develop a corrective action plan if it determines through studies that its system would experience performance issues. For the scenarios considered to be less commonplace, but which could result in potentially severe impacts such as cascading (i.e. extreme events), the planning entity must conduct a comprehensive analysis to understand both the potential impacts on its system and the types of actions that could reduce or mitigate those impacts.⁷

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

The use of current or improved technology is not covered in Reliability Standards and is, therefore, left to the discretion of each reporting entity. Commission staff think that nearly all of the respondents are likely to make and keep related records in an electronic format. Each of the eight Regional Entities has a well-established compliance portal for registered entities to electronically submit compliance information and reports. The compliance portals allow documents developed by the registered entities to be attached and uploaded to the Regional Entity's portal. Compliance data can also be submitted by filling out data forms on the portals. These portals are accessible through an internet browser password protected user interface.

The submittals are not made to FERC.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY

⁶ NERC defines "Corrective Action Plan" as, "A list of actions and an associated timetable for implementation to remedy a specific problem." Glossary of Terms Used in NERC Reliability Standards (May 13, 2019) (NERC Glossary).

⁷ NERC defines "Cascading" as, "The uncontrolled successive loss of System Elements triggered by an incident at any location. Cascading results in widespread electric service interruption that cannot be restrained from sequentially spreading beyond an area predetermined by studies." NERC Glossary.

**AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE
PURPOSE(S) DESCRIBED IN INSTRUCTION NO. 2**

The information collection requirements are unique to the proposed reliability standard and to the FERC-725N information collection. The Commission does not know of any duplication in the requirements.

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

Small entities generally can reduce their burden by taking part in a joint registration organization or a coordinated function registration. These options allow an entity the ability to share its compliance burden with other similar entities.

Detailed information regarding these options is available in NERC's Rules of Procedure at sections 507 and 508⁸.

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

If this standard and the associated information collection requirements did not exist or were performed less frequently, the reduction or elimination of transmission system planning would likely lead to lower system reliability and higher vulnerability and risk, such as transmission system outages and loss of load.

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

There are no special circumstances related to the proposed Reliability Standard TPL-001-5.

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

The ERO process to establish Reliability Standards is a collaborative process with the ERO, Regional Entities and other stakeholders developing and reviewing drafts, and providing comments, with the final standard submitted to the Commission for review and approval. In accordance with OMB requirements⁹, the Commission issued the NOPR in Docket No. RM19-10-000 (issued 6/20/2019). The NOPR was published in the Federal

⁸Details of the current ERO Reliability Standard processes are available in Appendix 3A of the NERC Rules of Procedure on the NERC website at <https://www.nerc.com/AboutNERC/Pages/Rules-of-Procedure.aspx>.

⁹ 5 CFR 1320.8(d).

Register on 6/27/2019 (84 FR 30639), soliciting public comments and providing public utilities and licensees, state commissions, Federal agencies, and other interested parties an opportunity to submit data, views, comments or suggestions concerning the approved collection of data.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not make payments or provide gifts for respondents related to this collection.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

According to the NERC Rule of Procedure 1502, “a Receiving Entity shall keep in confidence and not copy, disclose, or distribute any Confidential Information or any part thereof without the permission of the Submitting Entity, except as otherwise legally required.” This serves to protect confidential information submitted to NERC or Regional Entities.

Responding entities do not submit the information collected under the approved Reliability Standard to FERC. Rather, they maintain it internally or provide it to NERC or the Regional Entities. Since there are no submittals made to the Commission, FERC provides no specific provisions in order to protect confidentiality unless and until any such information is submitted to FERC as part of an enforcement action or other compliance review.

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

This collection does not include any questions of a sensitive nature.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the Burden¹⁰ and cost for this information collection as follows:

¹⁰ “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 5 CFR § 1320.3.

RM19-10-000 NOPR					
FERC-725N (Mandatory Reliability Standards: Reliability Standard TPL-001-5)					
Areas of Modification	Number of Respondents (1)	Annual Number of Responses¹¹ per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden & Cost Per Response¹² (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)
Single Point of Failure (one-time)	206 (PC/TP) ¹³	1	206	16 hrs. (reporting: 12 hrs.; recordkeeping: 4 hrs.); \$880	3,296 hrs; \$181,280
Spare Equipment Strategy (one-time)	206 (PC/TP)	1	206	4 hrs. (reporting: 2 hrs.; recordkeeping: 2 hrs.); \$220	824 hrs; \$45,320
Plan Maintenance Outage (one-time)	206 (PC/TP)	1	206	16 hrs. (reporting: 12 hrs.; recordkeeping: 4 hrs.); \$880	3,296 hrs; \$181,280
TOTAL			618		7,416 hrs; \$407,880

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no non-labor costs currently associated with the FERC-725N. All of the PRA-related costs due to this NOPR in RM19-10-000 are associated with burden hours (labor) and described in Questions #12 and 15.

¹¹ We consider the filing of an application to be a “response.”

¹² Hourly costs are based on the Bureau of Labor Statistics (BLS) figures for May 2018 (Sector 22, Utilities) for wages (https://www.bls.gov/oes/current/naics2_22.htm) and benefits for December 2019 (<https://www.bls.gov/news.release/ecec.nr0.htm>). We estimate that an Office and Administrative Support (Occupation code: 43-0000) would perform the functions associated with recordkeeping requirements, at an average hourly cost (for wages and benefits) of \$41.34. The functions associated with reporting requirements, we estimate, would be performed by an Electrical Engineer (Occupation code: 17-2051) at an average hourly cost of \$68.10 including wages and benefits. These occupational categories’ wage figures are averaged and weighted equally as follows: (\$41.34 hour + 68.10 hour) ÷ 2 = \$54.72/hour. The resulting wage figure is rounded to \$55.00/hour for use in calculating wage figures in the NOPR in Docket No. RM19-10-000.

¹³ Entity count based on May 10, 2019 NERC Registration: 7 entities register as Planning Coordinators (PC), 137 entities register as Transmission Planners (TP), and 62 entities register as both PCs and TPs.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The Regional Entities and NERC do most of the data processing, monitoring and compliance work for Reliability Standards. Any related involvement by the Commission is covered under the FERC-725 collection (OMB Control No. 1902-0225) and is not part of this request or package.

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.

FERC-725N	Number of Employees (Full-Time Equivalents [FTEs])	Estimated Annual Federal Cost
FERC-725N, Analysis and Processing of filings ¹⁴	0	0
Data Processing and Analysis ¹⁵	0	\$4,931
FERC Total		\$4,931

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

In the NOPR in RM19-10-000, the Commission proposes Reliability Standard TPL-001-5 and believes this notice of proposed rulemaking will not significantly change existing burdens on an ongoing basis. The Commission estimates a one-time burden increase for Year 1 only because Year 1 represents a one-time task not repeated in subsequent years. The one-time responses and burden for FERC-725N information collection can be averaged over three years:

- 618 responses ÷ 3 = 206 responses/year
- 7,416 hours ÷ 3 = 2,472 hours/year

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.

¹⁴ Based upon FERC’s 2018 average salary plus benefits of one FTE (full-time equivalent): \$164,820 per year.
¹⁵ Based upon FERC’s 2018 estimated average annual PRA Administrative Cost: \$4,931.

FERC-725N	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	2,655	2,449	0	206
Annual Time Burden (Hr.)	60,034	57,562	0	2,472
Annual Cost Burden (\$)	0	0	0	0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no data publications related to this collection

17. DISPLAY OF EXPIRATION DATE

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

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.