

Supporting Statement
**FERC-725N, Mandatory Reliability Standards: Transmission Planning (TPL)
Reliability Standards,**
as modified by the Final Rule 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 Final Rule in Docket No. RM19-10-000. The Federal Energy Regulatory Commission (Commission or FERC) is requesting that the Office of Management and Budget (OMB) approve the reporting and recordkeeping requirements in FERC-725N. The text of the reporting and recordkeeping requirements of Reliability Standard TPL-001-5 (excerpted from the NERC Petition) is included in ROCIS and reginfo.gov under Supplementary Documents.

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 (EPAAct 2005), was enacted into law.² EPAAct 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).

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.

³ 16 U.S.C. 824o(d)(2).

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

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 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 six 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 functional 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 508.⁸

**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 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 NERC submitting the final standard to the Commission for review and approval on December 7, 2018. There were no comments filed in response to NERC's filing. In accordance with OMB and other requirements⁹, the Commission issued the Notice of Proposed Rulemaking (NOPR) in Docket No. RM19-10-000

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.

(6/20/2019). The NOPR was published in the Federal 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.

The Commission received ten sets of comments on the NOPR. Commenters unanimously supported approving Reliability Standard TPL-001-5 as submitted by NERC. No comments directly address PRA-related issues (e.g., burden estimate) provided in the NOPR.

The Final Rule¹⁰ was issued on 1/23/2020 and was published in the Federal Register on 2/13/2020 (85 FR 8155).

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 covered by 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.

¹⁰ The Final Rule is posted in FERC’s eLibrary at <https://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=15449120>.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the burden¹¹ and cost¹² for the changes to this information collection, due to the Final Rule in Docket No. RM19-10, as follows:

FERC-725N, Modifications Due to Final Rule in Docket No. RM19-10-000					
Areas of Modification	Number of Respondents¹³ (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)
Single Point of Failure (one-time) ¹⁴	214 planning coordinators and transmission planners (PC/TP)	1	214	16 hrs. & \$880 (reporting: 12 hrs. & \$660 plus recordkeeping: 4 hrs. & \$220)	3,424 hrs. & \$188,320 (reporting: 2,568 hrs. & \$141,240 plus recordkeeping: 856 hrs. & \$47,080)

¹¹ “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.

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 (<https://www.bls.gov/news.release/ecec.nr0.htm>).

We estimate that 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 \$42.11. We estimate the functions associated with reporting requirements would be performed by an Electrical Engineer (Occupation code: 17-2051) at an average hourly cost (including wages and benefits) of \$68.17. These occupational categories’ wage figures are averaged and weighted equally as follows: $(\$42.11/\text{hour} + \$68.17/\text{hour}) \div 2 = \$55.14/\text{hour}$. The resulting wage figure is rounded to \$55.00/hour for use for reporting and recordkeeping requirements in calculating wage figures in the final rule in Docket No. RM19-10-000.

¹³ The number of respondents is based on the NERC Registry on November 21, 2019, which showed 8 entities registered as Planning Coordinators (PCs), 139 entities registered as Transmission Planners (TPs), and 67 entities registered as both PCs and TPs.

¹⁴ TPL-001-5 Table 1 planning event (Category P5) and extreme events (Stability 2.a-h) and the associated footnote 13.

Spare Equipment Strategy (one-time) ¹⁵	214 (PC/TP)	1	214	4 hrs. & \$220 (reporting: 2 hrs. & \$110 plus recordkeeping: 2 hrs. & \$110))	856 hrs. & \$47,080 (reporting: 428 hrs. & \$23,540 plus recordkeeping : 428 hrs. & \$23,540)
Plan Maintenance Outage (one-time) ¹⁶	214 (PC/TP)	1	214	16 hrs. & \$880 (reporting: 12 hrs. & \$660 plus recordkeeping: 4 hrs.& \$220)	3,424 hrs. & \$188,320 (reporting: 2,568 hrs. & \$141,240; recordkeeping : 856 hrs. & \$47,080)
Sub-Total for Reporting Requirements (one-time in Year 1)					5,564 hrs. & \$306,020
Sub-Total for Recordkeeping Requirements					2,140 hrs. & \$117,700
TOTAL			214 ¹⁷		7,704 hrs. & \$423,720

For PRA purposes and submittal to OMB, the one-time burden is being averaged over Years 1-3, giving an estimated annual industry total of:

- 71.333 responses per year (214 responses/3) [Note that ROCIS rounds this to 71, so 36.169 hours per response is used in ROCIS.]
- 2,568 hours per year (7,704 hours/3)

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

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

¹⁵ TPL-001-5 Requirement R2.1.5 and R2.4.5

¹⁶ TPL-001-5 Requirement R1, R2.1.4, and R2.4.4.

¹⁷ The same 214 PCs and TPs are performing all of the reporting and recordkeeping functions, so we are counting it as one (1) response per entity, giving a total of 214 entities.

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	0	0
PRA Administrative Cost ¹⁸	0	\$4,832
FERC Total		\$4,832

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

Program Changes:

Program Changes (Increases) Due to Final Rule in Docket No. RM19-10. In the Final Rule in RM19-10-000, the Commission approves Reliability Standard TPL-001-5. 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. As discussed in the final rule, we determine that Reliability Standard TPL-001-5 improves upon currently-effective Reliability Standard TPL-001-4 by addressing: (1) the study of single points of failure of protection systems; and (2) planned maintenance outages and stability analysis for spare equipment strategies. The improvements in Reliability Standard TPL-001-5 are responsive to the directives in Order No. 786 regarding planned maintenance outages and stability analysis for spare equipment strategies. Reliability Standard TPL-001-5 requires each planning coordinator and transmission planner to perform an annual planning assessment (required under the current version of the Reliability Standard TPL-

¹⁸Based upon FERC’s 2019 estimated average annual PRA Administrative Cost: \$4,832.

001-4, and included in the existing burden in OMB’s inventory) of its portion of the bulk electric system considering a number of system conditions and contingencies with a risk-based approach. Reliability Standard TPL-001-5 also contains revisions to the planning event (Category P5) and extreme events (Stability 2.a-h) identified in Table 1 (Steady State and Stability Performance Planning Events and Steady State and Stability Performance Extreme Events), as well as the associated footnote 13, to provide for a more comprehensive study of the potential impacts of protection system single points of failure.

For administrative purposes, the one-time burden is being averaged over Years 1-3, giving an estimated annual industry total of:

- 71.333 responses per year (214 responses/3)
- 2,568 hours per year (7,704 hours/3).

Program Changes (Decreases) Due to Completion of Other One-Time Requirements, not related to the Final Rule in Docket No. RM19-10 . FERC included a one-time burden estimate (42,137 hours) associated previously with the addition of Reliability Standard TPL-007-1 in this collection that was annualized over the three-year approval period, giving an annual estimate of 14,046 hrs. (The IC is labelled “TPL-007-1 Reliability Standard (One-Time, in Final Rule in RM15-11”).) FERC is removing this IC and completed burden (14,046 hrs. and 415 responses) because year 3 ended in 11/2019.

Therefore, the net program changes (decreases) are:

- -343.67 responses (+71.33-415)
- -11,478 hours (+2,568-14,046)

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.

FERC-725N	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	2,105 (rounded)	2,449	0	-344 (rounded)
Annual Time Burden (Hr.)	46,084	57,562	0	-11,478
Annual Cost Burden	0	0	0	0

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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 .
<https://www.ferc.gov/docs-filing/info-collections.asp> .

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions