

FERC-516 & FERC-730 (OMB Control Nos. 1902-0096 and 1902-0239)  
Notice of Proposed Rulemaking, issued 3/20/2020, in Docket No. RM20-10-000  
RIN: 1902-AF70  
(updated 8/12/2020)

Supporting Statement for  
**FERC-516 (Electric Rate Schedules and Tariff Filings) and  
FERC-730 (Report of Transmission Investment Activity),  
changes proposed in Notice of Proposed Rulemaking in Docket No. RM20-10-000**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) approve the information collection requirements in FERC-516 and FERC-730, as proposed for modification in the Notice of Proposed Rulemaking (NOPR) in Docket No. RM20-10.

**Background.** In the NOPR in Docket No. RM20-10, the Commission proposes to revise its existing transmission incentives policy and corresponding regulations (Transmission Incentives Regulations)<sup>1</sup> in light of changes in transmission development and planning in the last few years. After the enactment of the Energy Policy Act of 2005,<sup>2</sup> which added section 219 to the Federal Power Act (FPA),<sup>3</sup> the Commission promulgated Order No. 679<sup>4</sup> pursuant to FPA section 219.

After Order No. 679, the Commission last reviewed its transmission incentives policy in its 2012 Policy Statement.<sup>5</sup> Even since then, the energy industry has undergone a transformation. The landscape for planning, developing, operating, and maintaining transmission infrastructure has changed considerably. Those changes include an evolution in the resource mix and an increase in the number of new resources seeking transmission service, shifts in load patterns, the impact of the implementation of the Commission’s major rulemaking on transmission planning and cost allocation (Order No. 1000),<sup>6</sup> and new challenges to maintaining the reliability of transmission infrastructure. As a result of these changes and the Commission’s greater experience evaluating transmission incentive applications made pursuant to Order No. 679 and their relationship to the objectives of FPA section 219, we now propose to revise our transmission incentives policy to more closely align it with the statutory language of FPA section 219.

At present, 18 CFR 35.35 requires that applicants show, among other things, that the facilities for which it seeks incentives “is tailored to address the demonstrable risks or challenges faced by the applicant in undertaking the project.” In the proposed rule, the Commission proposes to depart

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<sup>1</sup> 18 CFR 35.35.

<sup>2</sup> Energy Policy Act of 2005, Pub. L. No. 109-58, sec. 1241, 119 Stat. 594 (2005).

<sup>3</sup> 16 U.S.C. 824s.

<sup>4</sup> *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).

<sup>5</sup> *Promoting Transmission Investment through Pricing Reform*, 141 FERC ¶ 61,129 (2012) (2012 Policy Statement).

<sup>6</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh’g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh’g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff’d sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

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from the risks and challenges approach used to evaluate requests for transmission incentives and instead focus on granting incentives based on the benefits to consumers by promoting investment in transmission infrastructure in accordance with FPA section 219(a)'s directive to incentivize transmission for "the purpose of *benefitting* consumers by ensuring reliability and reducing the cost of delivered power" (emphasis added).

### ***Other Proposals***

We propose to offer public utilities an ROE incentive for transmission projects that provide sufficient economic benefits, as measured by the degree to which such benefits exceed related transmission project costs. Specifically, we propose to offer 50 basis points of ROE incentives for transmission projects that meet an economic benefit-to-cost ratio in the top 75th percentile of transmission projects examined over a sample period. We propose to offer 50 additional basis points of ROE incentives for transmission projects that demonstrate ex-post cost savings that fall in the 90th percentile of transmission projects studied over the same sample period, as measured at the end of construction.

We propose to offer public utilities an ROE incentive for transmission projects that provide significant and demonstrable reliability benefits. Specifically, we propose to offer up to 50 basis points of ROE incentives for transmission projects that can demonstrate potential reliability benefits by providing quantitative analysis, where possible, as well as qualitative analysis. Cybersecurity is an important part of reliability and we will address cybersecurity incentives independently in a separate, future proceeding

We propose to modify the incentive allowing public utilities to recover 100 percent of prudently incurred costs of transmission facilities that are cancelled or abandoned due to factors that are beyond the control of the applicant (Abandoned Plant Incentive). Specifically, we propose to allow public utilities with transmission projects that are selected in a regional transmission planning process for the purposes of cost allocation to recover 100 percent of abandoned plant costs from the date that such transmission projects are selected in a regional transmission planning process for the purposes of cost allocation, rather than from the date the Commission issues an order granting such recovery.

We propose to revise our regulations to limit the ROE incentive and related acquisition adjustment incentive available to stand-alone transmission companies (Transcos).<sup>7</sup>

Consistent with the statutory language in FPA section 219, we propose to modify the ROE incentive available to transmitting utilities or electric utilities that join and/or continue to be a member of an Independent System Operator (ISO), Regional Transmission Organization (RTO), or other Commission approved Transmission Organization<sup>8</sup> (RTO-Participation Incentive) so that it is available regardless of whether the transmitting utility's or electric utility's participation in the

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<sup>7</sup> The Commission defines a Transco as a stand-alone transmission company that has been approved by the Commission and that sells transmission service at wholesale and/or on an unbundled retail basis, regardless of whether it is affiliated with another public utility. 18 CFR 35.35(b)(1); Order No. 679, 116 FERC ¶ 61,057 at P 201.

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ISO, RTO, or Transmission Organization is voluntary. The proposed RTO-Participation Incentive will be a uniform 100-basis-point increase to ROE for transmitting utilities that turn over their wholesale facilities to the Transmission Organization.

We propose to offer public utilities incentives for transmission technologies that, as deployed in certain circumstances, enhance reliability, efficiency, and capacity, and improve the operation of new or existing transmission facilities. We propose that these technologies will be eligible for both: (1) a stand-alone, 100-basis-point ROE incentive on the costs of the specified transmission technology project; and (2) specialized regulatory asset treatment. Further, we propose to give pilot programs a rebuttable presumption of eligibility for these incentives.

We propose to establish a 250-basis-point cap on total ROE incentives granted to a public utility in place of the current policy of limiting ROE incentives to the public utility's zone of reasonableness.

We propose to reform the information collected from transmission incentive applicants in FERC-730, Report of Transmission Investment Activity (Form 730), by obtaining this information on a project-by-project basis and to expand some of the information collected.<sup>9</sup> We also propose to update the data reporting process.”

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

In this NOPR, the Commission proposes to revise the following collections of information:

- FERC-516 (Electric Rate Schedules and Tariff Filings, OMB Control No. 1902-0096); and
- FERC-730 (Report of Transmission Investment Activity, OMB Control No. 1902-0239).

These revisions are included in an NOPR in Docket No. RM20-10-000<sup>10</sup> The NOPR would update the Commission's existing transmission incentives policy and corresponding regulations in

<sup>8</sup> A Transmission Organization is defined as an RTO, ISO, independent transmission provider, or other organization finally approved by the Commission for the operation of transmission facilities. 16 U.S.C. 796(29); 18 CFR 35.35(b)(2). The Commission is proposing to move the definition of Transmission Organization from § 35.35(b)(2) of its regulations to § 35.35(f) of the revised Transmission Incentives Regulations.

<sup>9</sup> On 3/19/2020, the Commission issued an instant final rule clarifying the filing instructions for the current Form 730 at the request of the Office of Management and Budget (OMB). *Reporting of Transmission Investments*, Order No. 869, 170 FERC ¶ 61,219 (2020). See <https://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=15487516>. Those changes are reflected in the Form 730 as proposed in this NOPR.

<sup>10</sup> The NOPR is available in FERC's eLibrary system at <https://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=15488496>; a News Release is posted at <http://www.ferc.gov/media/news-releases/2020/2020-1/03-19-20-E-1.pdf>. The NOPR will be published in the Federal Register. A partial dissent by Commissioner Richard Glick is posted at <https://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=15492856>.

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light of changes in transmission development and planning in the last few years. The relevant authorities are

- Sections 205, 206, and 219 of the Federal Power Act (FPA), 16 U.S.C. 824d, 824e, and 824s;
- 18 CFR 35.35;
- Order No. 679, *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); and
- Order No. 1000, *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

FPA sections 205 and 206 pertain to rates and charges for public utilities. FPA section 219 pertains to incentive-based rates for electric transmission for the purposes of ensuring reliability, and reducing transmission congestion (thereby reducing the cost of delivered power). At present, the Commission implements FPA section 219 in accordance with 18 CFR 35.35, Order 679, and Order No. 1000.

Recently the landscape for planning, developing, operating, and maintaining transmission infrastructure has changed considerably. Those changes include an evolution in the resource mix and an increase in the number new resources seeking transmission service, shifts in load patterns, the impact of the implementation of the Commission's Order No. 1000, and new challenges to maintaining the reliability of transmission infrastructure. The NOPR is a result of these changes and the Commission's experience evaluating transmission incentive applications. The NOPR is intended to improve the Commission's implementation of FPA section 219.

The Commission's risks and challenges analysis has resulted in an emphasis on incentives for difficult and risky projects rather than projects that benefit consumers by ensuring reliability and reducing the cost of delivered power as directed by section 219(a). The NOPR seeks to implement a benefits analysis to track the language of 219(a).

The current policy has also not been effective at encouraging deployment of transmission technology (section 219(b)(3)) and the NOPR proposes a new approach to put new emphasis on that section.

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

### **A. FERC-516**

#### **1. Changes Proposed: Information Required in an Application for Transmission Rate Incentives on the Basis of Benefits, and an Annual Transmission Technology Report**

In the NOPR, the Commission would revise the currently effective criteria for analyzing applications for transmission rate incentives. At present, the Commission considers:

- a) Whether the proposed incentive would be just and reasonable, and not unduly discriminatory;
- b) The need for each proposed incentive;
- c) Whether the total package of proposed incentives is rationally tailored to the risks and challenges of constructing new transmission; and
- d) Whether there is a nexus between the total package of proposed incentives and the investment being made.

The NOPR would not change the current requirements that such an application show the need for the proposed incentive, and that the proposed incentive would be just and reasonable, and not unduly discriminatory. The NOPR would revise 18 CFR 35.35(c) by removing the requirement that applicant show that the facilities for which it seeks incentives “is tailored to address the demonstrable risks or challenges faced by the applicant in undertaking the project.”

Proposed 18 CFR 35.35(c) would require applicants to show that “the facilities for which it seeks incentives either ensure reliability or reduce the cost of delivered power by reducing transmission congestion.” In the preamble of the NOPR<sup>11</sup>, the Commission explained that this revision of 18 CFR 35.35(c) would refocus the incentives program “to more closely align with the statutory directive of FPA section 219,” which authorizes transmission incentives “for the purpose of benefitting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmission congestion.”<sup>12</sup> Like the existing regulations, the proposed regulations would require submission of information that would enable the Commission to determine whether the applicant is eligible for incentives. Compared to the existing regulations, the Commission believes that the proposed regulations would enable the Commission to more effectively comply with the statutory language of FPA section 219. The NOPR would remove transmission incentive for Transcos, and would provide for a cap on total ROE incentives.

The NOPR would add the following optional information (depending on the applicant’s request):

- 1) For developers in RTO/ISO regions, a demonstration of data made available by a transmission planning region that examines economic attributes of projects.
- 2) For developers in non-RTO/ISO regions, a demonstration of proposed transmission projects’ economic merits by using economic modeling within transmission planning regions; or showings of economic benefits as determined by third party

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<sup>11</sup> 85 FR at 18788.

<sup>12</sup> 16 U.S.C. 823(a).

expert. In addition, respondents may demonstrate that the project met or came under the project costs for an additional incentive. For projects seeking this incentive, this demonstration is based on economic benefit-to-cost tests that meet an ex-ante<sup>13</sup> benefit-to-cost threshold (as described in the NOPR), and 50 additional basis points for transmission projects that demonstrate on an ex-post<sup>14</sup> basis that they are able to satisfy a higher benefit-to-cost threshold when constructed.

- 3) Respondents must demonstrate reliability benefits.

The NOPR proposes to evaluate the merits of each application for reliability ROE incentives on a case-by-case basis, but also provides a nonexclusive set of examples and demonstrations that could form the basis of a showing of significant and demonstrable reliability benefits that a transmission project could provide. In addition, the NOPR invites comment on other types of reliability benefits.

- 4) Certain reporting related to transmission technology incentive requests.

For the transmission technology incentive requests, each applicant must submit a transmission technology statement when requesting an incentive that demonstrates: how the technology meets the transmission technology criteria, the expected benefits of deployment, the cost of the transmission technology project, the cost of the overall transmission project if not a stand-alone transmission technology project, the expected useful life of the asset, and a demonstration that the transmission technology meets the economic benefits threshold.

- 5) Annual report on progress, obstacles, lessons learned, and quantifiable data for transmission technology deployment.

Each applicant granted an incentive under this subpart must also submit to the Commission an annual informational filing, for three years after the incentive is granted, that details the progress of the technology, obstacles to its deployment and efforts to overcome them, lessons learned, and any quantifiable data measuring the benefits of the transmission technology project. Any information already submitted to the Commission via existing forms need not be re-submitted under this requirement.

### **FERC-730**

To ensure that existing and proposed incentives are successfully meeting the objectives of FPA section 219, by ensuring reliability and economic efficiency benefits to ratepayers, the Commission needs industry data, projections, and related information that detail the level of

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<sup>13</sup> Ex-ante means “before the event”.

<sup>14</sup> Ex-post means “after the event”.

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investment and the costs and benefits of transmission projects. FERC-730 currently does not collect benefits data. Without collecting this information, the Commission would be considerably less able to evaluate the effectiveness of its incentive program.

These changes include:

- a. Require Table 1 data to display project-by-project data instead of aggregated data.
- b. Identify each transmission project by a public utility-created transmission project code in each record of Table 1 and Table 2 to aid in merging the tables.
- c. Add the report year to each record of Table 1 and Table 2.
- d. Add the aggregate of actual spending on each transmission project prior to the report year to determine total actual spending on each transmission project for each year.
- e. Add the aggregate of projected spending on each transmission project more than five years beyond the report year to estimate projected spending on each transmission project for each year.
- f. Include a new column entitled “Notes on Table 1” that permits a 60-character text string, so public utilities can explain any issues in the data. Public utilities also have the option to add a footnote with no character limit to describe issues in as much detail as necessary. For example, public utilities can explain why cost forecasts have suddenly increased from a previous year.
- g. Include Project Voltage as a field in Table 2. Previously, transmission project voltage was part of Project Description in Table 2. If no value can be used as the transmission project voltage, the number -9 is inserted to indicate that there is no value.
- h. The data in Table 2 must be known as of midnight on December 31 of the record year. This is a clarification of a point of ambiguity in the original description of Table 2.
- i. Modify the data in the column titled, “If Project Not On Schedule, Indicate Reasons For Delay” in Table 2 to a 60-character text string. Public utilities also have the option to add a footnote with no character limit so utilities can explain the reasons in more detail.
- j. Report Form 730 data in eXtensible Business Reporting Language (XBRL) Format.

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

Commission staff expects to receive all FERC-516 filings via eTariff. (eTariff is described at <https://www.ferc.gov/docs-filing/etariff.asp>.) In 2010, the Commission fully implemented its eTariff system for the electronic filing of tariffs.

FERC-730 is also filed electronically.

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**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.**

The Commission periodically reviews filing requirements concurrent with OMB review or as the Commission deems necessary to eliminate duplicative filings and to minimize the filing burden. The proposed actions here relate to a Commission jurisdictional tariff and FERC-730. Therefore, the Commission would be the only entity requiring this information. The Commission is unaware of any other source of this information. A component of the demonstration for benefits allows applicants to use data already produced by planning regions in their application via FERC-516.

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

The six RTOs/ISOs (SPP, MISO, PJM, ISO New England, NYISO, and CAISO) each employ more than 500 employees and are not considered small. We estimate that 337 transmission owners and six planning authorities are also affected by the NOPR. Using the list of Transmission Owners from the NERC Registry (dated January 31, 2020), we estimate that approximately 68% of those entities are small entities.

We estimate additional annual costs associated with the NOPR (as shown in the table below) of:

- \$480 each for 63 current filers of the Form FERC-730 and \$2,880 each for 137 new filers of Form FERC-730
- \$500 each for six RTO/ISO regions and six non-RTO/ISO regions to provide planning data (FERC-516)
- costs ranging from \$0 to \$76,800 (for each transmission owner in RTOs/ISOs) to \$112,000<sup>15</sup> (for each transmission owner in non-RTO/ISO regions) for eTariff filers (FERC-516). These costs are only incurred on a voluntary basis.

Therefore, the estimated additional annual cost per entity ranges from \$0 to \$114,880.

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

**FERC-516.** To conduct these filings less frequently (i.e., not conducting them at all), the Commission would be unable to fulfill its statutory obligation to ensure that rates are just and reasonable and not unduly discriminatory or preferential. Further, without collecting this information, the Commission would not be in compliance with the Congressional mandates of FPA section 219, which requires the Commission to establish incentive-based rate treatments for the transmission of electric energy in interstate commerce by public utilities for the purpose of benefitting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmis-

<sup>15</sup> These values represent the theoretical maximum case in which a Transmission Owner applies for every type of incentive, and also files a transmission technology annual report.



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sion congestion. The information will help to ensure just and reasonable incentive-based rates by enabling the Commission to determine the appropriate incentives based on the benefits of projects demonstrated in the applications.

#### **FERC-730.**

To ensure that existing and proposed incentives are successfully meeting the objectives of FPA section 219, the Commission needs industry data, projections, and related information that detail the level of investment and the costs and benefits of transmission projects. Without collecting this information, the Commission would be unable to evaluate the effectiveness of its incentive program.

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

FERC-516 and FERC-730 information collections have no special circumstances.

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

Each FERC rulemaking (both proposed and final rules) is published in the Federal Register thereby providing public utilities and licensees, state commissions, federal agencies, and other interested parties an opportunity to submit data, views, comments or suggestions concerning the proposed collections of data. The public will have 90 days after the date of publication of the NOPR in the Federal Register to provide comments.

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

No payments or gifts are made to respondents.

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

The data proposed for modification in this NOPR are public. In general, for all submittals to the Commission, filers may submit specific requests for confidential treatment to the extent permitted by law, as set forth in 18 CFR section 388.112.

#### **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**

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The collections do not contain any questions of a sensitive nature.

## 12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates that the NOPR would affect the burden<sup>16</sup> and cost<sup>17</sup> of FERC-516 (eTariff Filings) and Form 730 as follows:

<b>Proposed Changes in NOPR in Docket No. RM20-10-000</b>					
<b>A. Area of Modifi- cation</b>	<b>B. Number of Respondents</b>	<b>C. Annual Esti- mated Number of Responses per Respon- dent</b>	<b>D. Annual Esti- mated Number of Responses (Column B X Column C)</b>	<b>E. Average Bur- den Hours &amp; Cost (\$) per Response</b>	<b>F. Total Estimated Burden Hours &amp; Total Esti- mated Cost(\$) (Column D x Column E)</b>
<b>FERC-516, eTariff Filings (for Planning Regions)</b>					
RTO/ISO re- gions provide transmission planning data to developers that examine eco- nomic attributes of projects	6	1.67	10	5 hours; \$400	50 hours; \$4,000
Non-RTO/ISO regions provide transmission planning data to developers that examine eco- nomic attributes of projects	6	0.83	5	5 hours; \$400	25 hours; \$2,000
<b>Sub-Total for Planning Regions</b>					<b>75 hours; \$6,000</b>
<b>FERC-516, eTariff Filings (for Transmission Owners)</b>					
Developers in RTO/ISO re- gions provide data made avail-	10	1	10	40 hours; \$3,200	400 hours; \$32,000

<sup>16</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 5 CFR 1320.3.

<sup>17</sup> Commission staff estimates that respondents’ hourly wages (including benefits) are comparable to those of FERC employees. Therefore, the hourly cost used in this analysis is \$80.00 (\$169,091 per year).

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able by a transmission planning region that examines economic attributes of projects					
Developers in non-RTO/ISO regions submit showings of proposed transmission projects' economic merits by using economic modeling within transmission planning regions; or provide showings of economic benefits as determined by third party experts	5	1	5	480 hours; \$38,400	2,400 hours; \$192,000
Demonstration that project met or came in under the project costs for additional incentive	5	1	5	120 hours; \$9,600	600 hours; \$48,000
Demonstration of reliability benefits	10	1	10	360 hours; \$28,800	3,600 hours; \$288,000
Demonstration for transmission technology incentive requests	15	1	15	40 hours; \$3,200	600 hours; \$48,000
Annual report on progress, obstacles, lessons learned, and quantifiable data for transmission	15	1	15	400 hours; \$32,000	6,000 hours; \$480,000

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technology de- ployment					
<b>Sub-Total for Transmission Owners</b>					<b>13,600 hours; \$1,088,000</b>
<b>Total Proposed Changes for eTariff Filings (FERC-516)</b>					<b>13,675 hours; \$1,094,000</b>
<b>Form 730</b>					
Additional reporting re- quirements for current fil- ers of FERC Form 730	63	1	63	6 hours; \$480	378 hours; \$30,240
Additional filers of FERC Form 730 <sup>18</sup>	137	1	137	36 hours; \$2,880	4,932 hours; \$394,560
Sub-Total of Proposed Changes for Form 730					5,310 hours; \$424,800
<b>Total Proposed Changes for FERC-516 &amp; Form 730 in NOPR in RM20-10</b>					<b>18,985 hours; \$1,518,800</b>

### 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

All of the costs in the NOPR are associated with burden hours (labor) and described in Questions #12 and #15 in this supporting statement.

### 14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimates of the cost for analysis and processing of filings are based on salaries and benefits for professional and clerical support. The estimated cost represents staff analysis, decision-making, and review of any actual filings submitted in response to the information collection.

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, other changes to the collection, and publications in the Federal Register.

<sup>18</sup> The estimated additional filers are Transmission Providers not already receiving incentives. They are a subset of the 337 in #5 above.

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	<b>Number of Employees (Full-Time Equivalents [FTE])</b>	<b>Estimated Annual Federal Cost</b>
Analysis and Processing of Filings for FERC-516 <sup>19</sup>	3.5	\$582,400
Analysis and Processing of Filings for FERC-730	0.35	\$58,240
PRA <sup>20</sup> Administrative Cost (\$4,832 for each collection)		\$9,664
<b>FERC Total</b>		<b>\$650,304</b>

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

This NOPR would revise the Commission’s regulations and policy with respect to the mechanics and implementation of the Commission’s transmission incentives policy; and with respect to the metrics for evaluating the effectiveness of incentives. The proposed program changes reflect estimated additional voluntary applications due to the new set of incentives and the additional requested information.

- For FERC-516, the reforms proposed to the Commission’s transmission incentives policy would both help to reflect recent changes in the industry and transmission planning and more closely align with the statutory language of FPA section 219.
- For FERC-730, the proposed changes will ensure that existing and proposed incentives are successfully meeting the objectives of the FPA 219. The Commission needs industry data, projections, and related information that detail the level of investment and the costs and benefits of transmission projects.

<b>NOPR in Docket RM20-10</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
<b>FERC-730</b>				
Annual Number of Responses	200	63	0	137
Annual Time Burden (Hours)	7,200	1,890	0	5,310
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0
<b>FERC-516</b>				

<sup>19</sup> Based upon 2019 FERC FTE average annual salary plus benefits (\$167,091/year), or \$80/hour.

<sup>20</sup> Paperwork Reduction Act of 1995 (PRA).

FERC-516 & FERC-730 (OMB Control Nos. 1902-0096 and 1902-0239)  
Notice of Proposed Rulemaking, issued 3/20/2020, in Docket No. RM20-10-000  
RIN: 1902-AF70  
(updated 8/12/2020)

Annual Number of Responses	6,925	6,850	0	75
Annual Time Burden (Hours)	539,873	526,198	0	13,675
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

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

There are no publication plans for the collections of information.

#### **17. DISPLAY OF THE EXPIRATION DATE**

The OMB expiration dates are posted on <http://www.ferc.gov/docs-filing/info-collections.asp>.  
The expiration date of the FERC-730 is also posted on the form.

#### **18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.