

Supporting Statement for  
**FERC-725HH (RF Reliability Standards),**  
**OMB Control No. 1902-0301**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and renew FERC-725HH (RF Reliability Standards).

**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. EPAct 2005 added a new Section 215<sup>1</sup> 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. In 2006, the Commission certified the North American Electric Reliability Corporation (NERC) as the ERO pursuant to FPA section 215.<sup>2</sup>

Reliability Standards that the ERO proposes to the Commission may include Reliability Standards that are proposed to the ERO by a Regional Entity. A Regional Entity is an entity that has been approved by the Commission to enforce Reliability Standards under delegated authority from the ERO.<sup>3</sup> On March 17, 2011, the Commission approved a regional Reliability Standard submitted by the ERO that was developed by the ReliabilityFirst Corporation (RF).<sup>4</sup>

The Reliability Standard that was approved in 2011 was BAL-502-RF-02 (Planning Resource Adequacy Analysis, Assessment, and Documentation). BAL-502-RF-02 established common criteria (based on “one day in ten years”) load loss expectation principles, for the analysis, assessment, and documentation of resource adequacy for load in the RF region.

The Commission obtained clearance for the collection of information that was included in BAL-502-RF-02. The assigned clearance numbers were FERC-725H and OMB Control No. 1902-0256. FERC-725H was discontinued on March 6, 2014. However, NERC continued to require compliance with the reporting requirements of BAL-502-RF-02.

On September 7, 2017, NERC and RF filed a joint petition requesting Commission approval of:

- Regional Reliability Standard BAL-502-RF-03; and
- The retirement of regional Reliability Standard BAL-502-RF-02.<sup>5</sup>

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1 16 U.S.C. 824o.

2 *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh’g & compliance*, 117 FERC ¶ 61,126 (2006), *aff’d sub nom. Alcoa, Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

3 16 U.S.C. 824o(a)(7) and (e)(4).

4 *Planning Resource Adequacy Assessment Reliability Standard*, Order No. 747, 134 FERC ¶ 61,212 (2011).

5 The burdens associated with the previous BAL-502-RF-02 Reliability Standard were once contained in FERC-725H information collection (OMB Control No. 1902-0256). FERC-725H was discontinued on March 6, 2014. However, the requirements of BAL-502-RF-02 were still imposed on NERC entities. Those requirements were

The petition stated that the proposed Regional Reliability Standard would establish common criteria for the analysis, assessment, and documentation of resource adequacy for load in the ReliabilityFirst region. NERC's and RF's joint filing was noticed on September 8, 2017, with interventions, comments and protests due on or before October 10, 2017. The proposed Regional Reliability Standard was approved by letter order issued on October 16, 2017. The Commission received clearance for the associated collection of information under FERC-725HH and OMB Control No. 1902-0301.

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

The BAL-502-RF-03 Reliability Standard, similar to the previous version (BAL-502-RF-02), establishes common criteria, based on “one-day-in-ten- year” load loss expectation principles, for the analysis, assessment, and documentation of resource adequacy for load in the RF region. This Reliability Standard requires Planning Coordinators in the ReliabilityFirst region to assess resource adequacy. In approving BAL-502-RF-02, the Commission stated that BAL-502-RF-02 provides for the reliable operation of the Bulk-Power System as it will help identify areas of concern that, if left unresolved, could result in future instability, uncontrolled separation, or cascading failures of the Bulk-Power System.<sup>6</sup> BAL-502-RF-03 provides this same benefit with additional proposed enhancements, and thus meets a reliability need for the ReliabilityFirst region and provides additional support for the reliable operation of the Bulk-Power System.

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

The use of current or improved technology and the medium are not covered in Reliability Standards, and are therefore left to the discretion of each respondent. We think that nearly all of the respondents are likely to make and keep related records in an electronic format. 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.

**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**

Filing requirements are periodically reviewed as OMB control numbers approach expiration, or as the Commission may deem necessary in carrying out its regulatory responsibilities under the

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discontinued in Docket No. RD17-8-000 with no removal of burden, since the associated burden was removed concurrent with the discontinuation in 2014 of FERC-725H.

<sup>6</sup> Order No. 747, *Planning Resource Adequacy Assessment Reliability Standard*, 134 FERC ¶ 61,212, at P 25 (2011) (“Order No. 747”).

FPA in order to eliminate duplication and ensure that filing burden is minimized. There are no similar sources for information available that can be used or modified for these reporting purposes.

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

The Reliability Standards do not expressly provide for minimizing the burden of the collection for small entities. All the requirements in the Reliability Standards apply to affected planning coordinators. However, 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 Section 1502, Paragraph 2, available at NERC's website.

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

The consequences of not collecting the data associated with BAL-502-RF-03 could include future instability, uncontrolled separation, or cascading failures of the Bulk-Power System.

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

FERC-725HH information collection has 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 PRA requirements, the Commission issued a 60-day notice and a 30-day notice inviting public comments. The Commission issued the 60-day notice on December 1, 2020,<sup>7</sup> and published the 60-day notice in the *Federal Register* on December 7, 2020 (86 FR 78846). The Commission received no comments in response.

On March 11, 2021, the Commission issued a 30-day notice inviting public comments to be submitted to OMB. The 30-day notice was published in the *Federal Register* on March 17, 2021 (86 FR 14623).

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

No payments or gifts have been made to respondents.

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

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<sup>7</sup> [https://elibrary.ferc.gov/eLibrary/docinfo?document\\_id=14910795](https://elibrary.ferc.gov/eLibrary/docinfo?document_id=14910795)

## RESPONDENTS

According to the NERC Rules of Procedure<sup>8</sup>, "...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 due to the Reliability Standards to FERC. Rather, they submit the information to NERC or Regional Entities, or they maintain it internally. Since there are no submissions made to FERC, FERC provides no specific provisions in order to protect confidentiality.

### 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 contain any questions of a sensitive nature.

### 12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The estimated burden<sup>9</sup> and cost<sup>10</sup> for FERC-725HH due to Regional Reliability Standard BAL-502-RF-03 follow:

FERC-725HH, RF Reliability Standards						
Entity	No. of Respondents <sup>11</sup> (1)	Annual No. of Responses per Respondent (2)	Annual No. 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)=(6)
Planning Coordinators	2	1	2	16 hrs.; \$1,243.52	32 hrs.; \$2,487.04	\$1,243.52

### 13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

<sup>8</sup> Section 1502, Paragraph 2, available at NERCs website

<sup>9</sup> 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.

<sup>10</sup> The hourly cost (\$77.72 for salary plus benefits) is the average of mean hourly salaries and benefits for three occupational codes for the following occupations:

- Manager (Occupation Code 11-0000): \$94.84/hour;
- Engineer (Occupation Code 17-2071): \$85.71/hour; and
- File Clerk (Occupation Code 43-4071): \$52.60/hour.

Salary and benefits data are from the Bureau of Labor Statistics at [https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm) (salaries) and <http://www.bls.gov/news.release/ecec.nr0.htm> (benefits).

<sup>11</sup> The number of respondents is derived from the NERC Compliance Registry as of October 2, 2017 for the burden associated with the proposed regional Reliability Standard BAL-502-RF-03.

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 to respondents are associated with burden hours (labor) and described in Questions #12 and #15 in this supporting statement.

#### 14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

Any involvement by the Commission is covered under the FERC-725 (OMB Control No. 1902-0255). The data are not submitted to FERC.

The Commission does incur the costs associated with obtaining OMB clearance for FERC-725HH collection under the Paperwork Reduction Act (PRA). The PRA Administrative Cost is a Federal 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. This average annual cost includes requests for extensions, all associated rulemakings and orders, other changes to the collection, and associated publications in the Federal Register. FERC estimates the annual cost for this effort to be \$6,475.

FERC-725HH	Number of Employees (FTEs)	Estimated Annual Federal Cost
Analysis of Filings	0	\$0
Processing of Filings	0	\$0
Paperwork Reduction Act Administrative Cost		\$6,475
<b>TOTAL</b>		<b>\$6,475</b>

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

There are no adjustments or program changes.

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

There are no tabulating, statistical or tabulating analysis or publication plans for the collection of information.

#### 17. DISPLAY OF THE EXPIRATION DATE

The expiration date is displayed in a table posted on ferc.gov at <https://www.ferc.gov/enforcement-legal/legal/information-collections>.

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.