FERC-725D (OMB Control No. 1902-0247)
Docket No. IC21-3-000 and Docket No. RD20-4-000 Delegated Letter Order (issued 10/30/2020)]

Supporting Statement for
FERC-725D (Facilities Design, Connections and Maintenance Reliability Standards)

The Federal Energy Regulatory Commission (Commission or FERC) requests OMB review and approval of the changes to reporting and recordkeeping requirements (evidence retention), as noted in Docket Nos. IC21-3-000 and RD20-4, covering FERC-725D (Facilities Design, Connections and Maintenance Reliability Standards) (OMB Control No. 1902-0247, expiration date of 3/31/2021). The following supporting statement is being submitted to renew FERC-725D and reflect the changes made and discussed in Docket No. RD20-4.

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[1]. 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, subject to Commission review and approval.

Section 215 of the FPA requires a Commission-certified ERO to develop mandatory and enforceable Reliability Standards, subject to Commission review and approval.[2] Once approved, the Reliability Standards may be enforced by the ERO subject to Commission oversight or by the Commission independently.[3] In 2006, the Commission certified NERC (North American Electric Reliability Corporation) as the ERO[4] pursuant to section 215 of the FPA.[5]

On March 16, 2007 (pursuant to section 215(d) of the FPA), the Commission issued Order No. 693, approving 83 of the 107 initial Reliability Standards filed by NERC. Order 693 addressed several Reliability Standards. In the intervening years, numerous changes have been made to update, eliminate, or establish various Reliability Standards.

FERC-725D includes[6]:

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[1] 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 (2006).
[2] *Id.* 824o(c), (d).
[3] *Id.* 824o(e).
[4] "Electric Reliability Organization" or "ERO" means the organization certified by the Commission the purpose of which is to establish and enforce Reliability Standards for the Bulk-Power System, subject to Commission review.
[5] *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh'g and compliance*, 117 FERC ¶ 61,126 (2006), *order on compliance*, 118 FERC ¶ 61,190, *order on reh'g*, 119 FERC ¶ 61,046 (2007), *aff'd sub nom. Alcoa Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).
[6] The table is based on a table from the NERC website at https://www.nerc.net/standardsreports/standardssummary.aspx

Facilities Design, Connections, and Maintenance (FAC) Reliability Standards				
FAC-001-3	Facility Interconnection Requirements	1/1/2019 [7]		Replaced FAC-001-2
FAC-002-3	Facility Interconnection Studies			Replaced FAC-002-2 in RD20-4
FAC-010-3	System Operating Limits Methodology for the Planning Horizon	4/1/2017		Replaced FAC-010-2.1
FAC-011-3	System Operating Limits Methodology for the Operations Horizon	4/1/2017		Replaced FAC-011-2
FAC-014-2	Establish and Communicate System Operating Limits	4/29/2009		Replaced FAC-014-1

Background on Docket No. RD20-4-000. On 2/21/2020, NERC submitted a Petition for approval of Reliability Standards developed under The Standards Alignment with Registration Project.[8] In its Petition, NERC requested "for Commission approval seven proposed Reliability Standards, one which included Reliability Standard FAC-002-3 – Facility Interconnection Studies. The proposed Reliability Standard revised the currently effective version to align the standard with registration changes approved by the Commission in 2015. In the proposed Reliability Standards, references to entities that are no longer registered by NERC are removed.

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

FERC-725D. Reliability standards mentioned within the examples below include Requirements (e.g. R1, R2, R3, etc.), Measurements (e.g. M1, M2, M3, etc.), and Compliance Monitoring Process - Evidence Retention for each standard.

Evidence Retention identifies the period of time an entity is required to retain specific evidence to demonstrate compliance. Examples of records being retained relate to Compliance Audit, Self-Certification, Spot Check, Compliance Investigation, and Self-Reporting.

The covered Reliability Standards are:

- **FAC-001-3 (Facility Interconnection Requirements):**

[7] This column represents the effective date of the most recent approved version for each respective standard.
[8] The petition is provided on FERC's eLibrary website at https://elibrary.ferc.gov/eLibrary/filedownload?fileid=15468689

The purpose of Reliability Standard FAC-001-3 is to "avoid adverse impacts on the reliability of the Bulk Electric System, Transmission Owners and applicable Generator Owners must document and make Facility interconnection requirements available so that entities seeking to interconnect will have the necessary information.". Data for these interconnection requirements could include system protection and relay coordination, breaker duty and surge protection, grounding and safety issues, and operations matters such as abnormal frequency and voltages. These interconnection requirements are routinely reviewed to ensure that all the data needed to perform studies is available.

Need for Data, and Risk without Data: FAC-001-3 imposes the obligation to document, maintain, and publish interconnection requirements. Failure to properly maintain the interconnection requirement documents and make them available to entities upon request could adversely impact reliable planning and operation of the Bulk Electric System because data needed to perform studies to determine the impact of interconnecting facilities on existing interconnections as well as on affected systems may not be provided. Further, lack of these documents could result in inaccurate and uncoordinated interconnection studies, leading to possible instances of instability, uncontrolled separation and cascading failures. The requirements include retention periods that identify the period of time an entity is required to retain specific evidence to demonstrate compliance.

Evidence Retention: The applicable Functional Entity shall keep data or evidence to show compliance as identified below unless directed by its CEA to retain specific evidence for a longer period of time as part of an investigation:
The responsible entities shall retain documentation as evidence for three years.
If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved or for the time specified above, whichever is longer.
The CEA shall keep the last audit records and all requested and submitted subsequent audit records.

- **FAC-002-3 (Facility Interconnection Studies):**

The purpose of Reliability Standard FAC-002-3 is to "study the impact of interconnecting new or materially modified Facilities on the Bulk Electric System." Under Reliability Standard FAC-002-3 each transmission planner and each planning coordinator shall study the reliability impact of interconnecting new--or materially modifying existing--generation, transmission, or electricity end-user facilities on affected systems. Reliability Standard FAC-002-3 requires transmission planners and planning coordinators to perform steady-state, short-circuit, and dynamic studies to evaluate system performance under both normal and contingency conditions. In addition, Reliability Standard FAC-002-3 requires each generator owner seeking to interconnect, each transmission owner, each distribution provider, and each load-serving entity that is seeking to interconnect new--or materially modifying existing--transmission facilities or end-user facilities to coordinate and cooperate on studies with its transmission planner and planning coordinator.
Need for Data, and Risk without Data: For Reliability Standard FAC-002-3, all applicable entities need to cooperate in sharing data so valid and complete studies can be performed to

accurately assess the reliability impact of interconnecting new or materially modified facilities. Failing to conduct studies of these interconnecting facilities could lead to instances of violation with other national and regional standards. Also, actual system performance under normal and emergency conditions may not match the results of steady-state, short circuit and dynamic studies, which could impact Bulk Electric System reliability and lead to instances of instability, uncontrolled separation and cascading failures. These requirements include retention periods that identify the period of time an entity is required to retain specific evidence to demonstrate compliance. If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved.

Evidence Retention: The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.
The Planning Coordinator, Transmission Planner, Transmission Owner, Distribution Provider, Generator Owner, applicable Generator Owner, and Load-Serving Entity shall keep data or evidence to show compliance as identified below unless directed by its CEA to retain specific evidence for a longer period of time as part of an investigation:
The responsible entities shall retain documentation as evidence for three years.
If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved or for the time specified above, whichever is longer.
The CEA shall keep the last audit records and all requested and submitted subsequent audit records.

The FERC Delegated Letter Order (DLO) approving NERC's request in Docket No. RD20-4 was issued by the Office of Electric Reliability on 10/30/2020.[9]

- **Reliability Standard FAC-010-3** requires the planning authority to have a documented methodology for use in developing SOLs and must retain evidence that it issued its SOL methodology to relevant reliability coordinators, transmission operators and adjacent planning authorities. Likewise, the planning authority must respond to technical comments on the methodology within 45 days of receipt. Further, each planning authority must self-certify its compliance to the compliance monitor once every three years. Reliability Standard FAC-011-3 requires similar documentation by the reliability coordinator. Reliability Standard FAC-014-2 requires the reliability coordinator, planning authority, transmission operator, and transmission planner to verify compliance through self-certification submitted to the compliance monitor annually. These entities must also document that they have developed SOLs consistent with the applicable SOL methodology and that they have provided SOLs to entities identified in Requirement 5 of

[9] The DLO is posted in FERC's eLibrary at https://elibrary.ferc.gov/eLibrary/filedownload?fileid=15650938.

the Reliability Standard. Further, the planning authority must maintain a list of multiple contingencies and their associated stability limits.

The next three standards (FAC-010-3, FAC-011-3, FAC-14-2) set requirements for the development of SOLs of the BPS for use in the planning and operation horizons. In addition, these standards ensure that the SOLs are determined based on established methodology. SOLs are based on certain operating criteria. These include, but are not limited to:

- Facility Ratings (Applicable pre-and post-Contingency equipment or facility ratings)
- Transient Stability Ratings (Applicable pre-and post-Contingency Stability Limits)
- Voltage Stability Ratings (Applicable pre- and post-Contingency Voltage Stability)
- System Voltage Limits (Applicable pre- and post-Contingency Voltage Limits)

- **FAC-010-3 (System Operating Limits Methodology for the Planning Horizon)**

The stated Purpose of the Reliability Standard is to "ensure that System Operating Limits (SOLs) used in the reliable planning of the Bulk Electric System (BES) are determined based on an established methodology or methodologies." FAC-010-3 applies to "planning authorities" and requires each planning authority to document its methods for determining system operating limits and to share the calculated limits with reliability entities.

Requirement R1 of the Reliability Standard provides that the Planning Authority shall have a documented SOL methodology within its planning area that is applicable to the planning time horizon, does not exceed facility ratings, and includes a description of how to identify the subset of SOLs that qualify as interconnection reliability operating limits (IROLs).

Requirement R2 of the Reliability Standard identifies specific considerations that must be included in the methodology. For example, Requirement R2.1 provides that the methodology must include a requirement that SOLs provide bulk electric system performance so that, in the pre-contingency state and with all facilities in service, the bulk electric system shall demonstrate transient, dynamic and voltage stability and all facilities shall be within their facility ratings.

Reliability Standard FAC-010-3 identifies data retention requirements and two sets of Levels of Non-Compliance, one of general applicability and one for the Western Interconnection. FAC-010-3 also includes Measures corresponding to each Requirement. It identifies the regional reliability organization as the entity responsible for compliance monitoring.

Evidence Retention:

The Reliability Coordinator shall keep all superseded portions to its SOL Methodology for 12 months beyond the date of the change in that methodology. In addition, entities found non-compliant shall keep information related to the non-compliance until found compliant. The Compliance Monitor shall keep the last audit and all subsequent compliance records. The Planning Authority shall make the following available for inspection during an on-site audit by the Compliance Monitor or within 15 business days of a request as part of an investigation upon complaint: Superseded portions of its SOL Methodology that had been made within the past 12 months, Evidence that the SOL Methodology, and any changes to the methodology that occurred within the past 12 months were issued to all required entities.

- **FAC-011-3(System Operating Limits Methodology for the Operations Horizon)**

Reliability Standard FAC-011-3 requires each reliability coordinator to develop a SOL methodology for determining which of the stability limits associated with the list of multiple contingencies are applicable for use in the operating horizon based on actual or expected system conditions.

Requirement R1 of FAC-011-3 states that the Planning Authority shall have a documented SOL Methodology for use in developing SOLs within its planning authority area. R1 indicates that the SOL Methodology must be applicable to developing SOLs used in the planning horizon, state that SOLs shall not exceed associated facility ratings, and include a description of how to identify the subset of SOLs that qualify as IROLs.

Requirement R2 of FAC-011-3 identifies specific considerations that must be included in the methodology in a pre-contingency state and following one or multiple contingencies.

Requirement R3 of FAC-011-3 requires that the methodology for determining SOLs shall include as a minimum a description of the study model, selection of the applicable contingencies, level of detail of system models used to determine SOLs, allowed uses of Special Protection Systems.

Evidence Retention:

The Reliability Coordinator shall keep all superseded portions to its SOL Methodology for 12 months beyond the date of the change in that methodology. In addition, entities found non-compliant shall keep information related to the non-compliance until found compliant. The Compliance Monitor shall keep the last audit and all subsequent compliance records. The Planning Authority shall make the following available for inspection during an on-site audit by the Compliance Monitor or within 15 business days of a request as part of an investigation upon complaint: Superseded portions of its SOL Methodology that had been

made within the past 12 months, Evidence that the SOL Methodology, and any changes to the methodology that occurred within the past 12 months were issued to all required entities.

- **FAC-014-2 (Establish and Communicate System Operating Limits)**

Reliability Standard FAC-014-2 requires each reliability coordinator, planning authority, transmission planner and transmission operator to develop and communicate SOL limits in accordance with the methodologies developed pursuant to FAC-010-3 and FAC-011-3. FAC-014-2 requires the reliability coordinator to ensure that SOLs are established for its "reliability coordinator area" and that the SOLs are consistent with its SOL methodology. It provides that each transmission operator, planning authority and transmission planner must establish SOLs as directed by its reliability coordinator that are consistent with the reliability coordinator's methodology. Further, FAC-014-2 requires the reliability coordinator, planning authority and transmission planner to provide its SOLs to those entities that have a reliability-related need.

Evidence Retention:

The Reliability Coordinator shall keep all superseded portions to its SOL Methodology for 12 months beyond the date of the change in that methodology. In addition, entities found non-compliant shall keep information related to the non-compliance until found compliant. The Compliance Monitor shall keep the last audit and all subsequent compliance records. The Planning Authority shall make the following available for inspection during an on-site audit by the Compliance Monitor or within 15 business days of a request as part of an investigation upon complaint: SOL Methodology(ies), SOLs, including the subset of SOLs that are IROLs and the IROLs supporting information, Evidence that SOLs were distributed, Evidence that a list of stability-related multiple contingencies and their associated limits were distributed, Distribution schedules provided by entities that requested SOLs.

These last three Reliability Standards (FAC 010-3, FAC 011-3, FAC 14-2) serve an important reliability purpose in ensuring that SOLs used in the reliable planning and operation of the BPS are determined based on an established methodology. Moreover, they clearly identify the entities to which they apply and contain clear and enforceable requirements.

In general, information collection and evidence retention requirements related to Reliability Standards are not submitted to, or retained for audit by, FERC. Rather they are submitted to, or retained for audit by, NERC or the Compliance Enforcement Authority, as specified in each individual Reliability Standard. Without collecting this information, reliability of the bulk-power system could become compromised, potentially resulting in outages.

The purpose of these Reliability Standards is to ensure:

- generators remain in operation during specified voltage and frequency excursions; properly coordinate protective relays and generator voltage regulator controls; and
- generator models accurately reflect the generator's capabilities and equipment performance
- planners and operators have access to actual and forecast demand and energy data as needed to perform resource adequacy studies
- system-level modeling data and validation requirements necessary for developing planning models and the Interconnection-wide cases that are integral to analyzing the reliability of the Bulk-Power System

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 estimates 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.

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 filing and to minimize the filing burden. This information is not available elsewhere. The standard-developing group (the ERO and various stakeholders) think these areas need to be addressed and documented as indicated in the NERC Petition.

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 508.[10]

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

FAC-001-3 imposes the obligation to document, maintain, and publish interconnection requirements. Failure to properly maintain the interconnection requirement documents and make them available to entities upon request could adversely impact reliable planning and operation of the Bulk Electric System because data needed to perform studies to determine the impact of interconnecting facilities on existing interconnections as well as on affected systems may not be provided. Further, lack of these documents could result in inaccurate and uncoordinated interconnection studies, leading to possible instances of instability, uncontrolled separation and cascading failures. The requirements include retention periods that identify the period of time an entity is required to retain specific evidence to demonstrate compliance.

For Reliability Standard FAC-002-3, all applicable entities need to cooperate in sharing data so valid and complete studies can be performed to accurately assess the reliability impact of interconnecting new or materially modified facilities. Failing to conduct studies of these interconnecting facilities could lead to instances of violation with other national and regional standards. Also, actual system performance under normal and emergency conditions may not match the results of steady-state, short circuit and dynamic studies, which could impact Bulk Electric System reliability and lead to instances of instability, uncontrolled separation and cascading failures. These requirements include retention periods that identify the period of time an entity is required to retain specific evidence to demonstrate compliance. If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved.

As for FAC10-3, FAC11-3, and FAC14-2, the establishment of how to identify SOLs and use it within the planning and operating horizons is critical to the reliability of the BPS. Failure to keep accurate data could cause contingency cases to be out of date and problem areas not being properly identified.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

There are no special circumstances as described in 5 CFR 1320.5(d)(2).

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

[10] Details of the current ERO Reliability Standard processes are available on the NERC website at http://www.nerc.com/FilingsOrders/us/RuleOfProcedureDL/Appendix_3A_StandardProcessesManual_20130626.pdf.

The ERO process to develop Reliability Standards is a collaborative process involving the ERO, Regional Entities and other stakeholders developing and reviewing drafts, and providing comments, vetting and voting (possibly multiple rounds) on the standards, with the final proposed standard(s) submitted to the FERC for review and approval.[11] In addition, each FERC Paperwork Reduction Act (PRA) notice 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 collections of data.

This supporting statement is set out to reflect the changes presented in Docket Nos. RD20-4 and IC21-3 for the renewal of 725D.

- Docket No. RD20-4. The 60-day[12] and 30-day[13] notices were published in the Federal Register to give the public and other entities an opportunity to comment. No comments were received from the 60-day notice or 30-day notice.
- Docket No. IC21-3. The 60-day notice published on November 5, 2020 (85 FR 70606) with no comments received and the 30-day notice published on January 13, 2021 (86 FR 2665).

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not make payments or provide gifts for respondents related to these collections.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

According to the NERC Rules of Procedure, "…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 for Reliability Standards to FERC. Rather, they submit the information to NERC, the regional entities, or 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.

[11] Details of the current ERO Reliability Standard processes are available on the NERC website at http://www.nerc.com/FilingsOrders/us/RuleOfProcedureDL/Appendix_3A_StandardProcessesManual_20130626.pdf.

[12] 85 FR 44875 (July 24, 2020)

[13] 85 FR 66542 (October 20, 2020)

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

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates an increase (adjustment) in the annual public reporting burden for the FERC-725D that follow the standards FAC-001-3, FAC-002-3, FAC-010-3, FAC-011-3, and FAC-014-2.

The Commission estimates a net decrease (adjustment) in the annual public reporting burden for the FERC-725D for the Reliability Standard FAC-002-3. The estimate for Reliability Standard FAC-002-3 decreased from 399 to 326 responses.[14]

Burden estimates for the remaining Reliability Standards in FERC-725D are unchanged as follows:

- FAC-001-3 remains unchanged at 498 responses.[15]
- FAC-010-3, FAC-011-3 and FAC-014-2 remain unchanged at 470 responses.[16]

The following table shows the previous figures from the program changes and adjustments from Docket No. RD20-4, and the resulting totals.

Docket No. RD20-4 has a net decrease (-146) in responses for FAC-002-3 (previously FAC-002-2) which created a total of 1,957 responses (net change was already calculated in the renewal but omitted the retention totals in prior renewals).

For this notice and moving forward, Evidence Retention is included in the burden estimates for all standards, as shown below in the table:

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[14] The OMB-approved burden for FAC-002-2 of 399 responses does not include the responses for record retention as shown in Docket No. RD14-12-000. The net reduction in burden of 146 responses for FAC-002-3 is being submitted in this supporting statement for OMB approval under Docket No. RD20-4-000 and reflects

- an adjusted addition of 20 PCs and TPs for studies and evidence retention, which results in an increase of 40 responses; and
- a program and adjusted reduction of 63 de-registered load-serving entities and 30 TOs, GOs, and DPs for coordination and evidence retention, which results in a decrease of 186 responses.

[15] This is the sum of the OMB-approved burden for FAC-001-2 of 337 responses plus the additional OMB-approved burden for FAC-001-3 of 161 responses. These burden estimates do not include the responses for record retention as shown in Docket No. RD14-12-000.

[16] The OMB-approved burden for FAC-010-3, FAC-011-3 and FAC-014-2 is a joint burden estimate of 470 responses as shown in the 2011 supporting statement for FERC-725D. All standards within this collection are being fixed by making sure the evidence retention burden is included for all reliability standards within FERC-725D.

Proposed Changes to Burden Due to Docket No. RD20-4-000 and Adjustments and Clarifications[17] and Version update for FAC-002-3 (formerly FAC-002-2) FERC-725D, OMB Control No. 1902-0247					
Reliability Standard & Requirements	**No. of Respondents & Type of Entity (1)**	**Annual No. of Responses per Respondent (2)**	**Annual No. of Responses (1)*(2)=(3)**	**Average Burden Hrs. Per Response (4)**	**Total Annual Burden Hours (3)*(4)=(5)**
FAC-002-3 (Facility Interconnection Studies) R1 Study—adjustment	+20 (PC & TP)	1	+20	32 hrs.	640 hrs.
FAC-002-3 (Facility Interconnection Studies) R1 Evidence Retention—adjustment	+20 (PC & TP)	1	+20	1 hr.	20 hrs.
FAC-002-3 (Facility Interconnection Studies) R2-R5 Coordination—(program decrease & adjustment decrease)[18]	-93 (TO, GO & DP)[19]	1	-93	16 hrs.	-1,488 hrs.

[17] The adjustments, due to normal industry fluctuations, are based on figures in the NERC registry as of April 10, 2020.

[18] The reduction of 93 respondents and corresponding burden hours include 63 LSEs that were de-registered (program decrease of 1,008 hrs.) and an adjustment decrease of 30 respondents (480 hrs.) due to normal industry fluctuations.

FAC-002-3 (Facility Interconnection Studies) R2-R5 Evidence Retention—(program decrease & adjustment decrease) [20]	-93(TO, GO & DP)	1	-93	1 hr.	-93 hrs.
Net Total for Changes in FERC-725D, due to RD20-4			**-146 (net reduction)**		**-921 hrs. (net reduction)**

In the table below, the renewal Docket No. IC21-3-000 includes the net changes of Docket No. RD20-4 from the table above.

FERC-725D: (Mandatory Reliability Standards: FAC (Facilities, Design, Connections, and Maintenance) -- FAC-001-3, FAC-002-3, FAC-010-3, FAC-011-3, and FAC-014-2					
	Number and Type of Respondent (1)	**Annual Number of Responses per Respondent (2)**	**Total Number of Responses (1)*(2)=(3)**	**Average Burden per Response (Hours) & Cost per**	**Total Annual Burden (Hours) & Total Annual Cost[21] ($) (3)*(4)=(5)**

Out of the total decrease of 1,488 hours, the program decrease of 1,008 hours [corresponding decrease of 63 responses] is due to Docket No. RD20-4-000. The reduction of 480 hours is due to normal adjustments.

[19] Although 1,232 entities are registered as TO, DP, or GO, we expect at the most 123 entities (ten percent) will seek to interconnect and go through the study phase that may require coordination in any given year.

[20] For Evidence retention-The reduction of 93 respondents and corresponding burden hours include 63 LSEs that were de-registered (program decrease of 63 hrs., due to Docket No. RD20-4-000) and an adjustment decrease of 30 respondents (30 hrs.) due to normal industry fluctuations- this results in doubling of decrease in 93 respondents and increase of 20 additional respondents.

[21] The estimates for cost per hour are derived as follows:

- $83.67/hour, the average of the salary plus benefits for a manager ($97.15/hour) and an electrical engineer ($70.19/hour), from Bureau of Labor and Statistics at http://bls.gov/oes/current/naics3_221000.htm, as of June 2020
- Record and Information Clerks(43-4199): $41.03/hour, based on a Commission staff study of evidence retention burden cost.

				Response (4)	
FAC-001-3					
(Documentation & Updates)	GO/TO 498	1	498	34 hrs.; $2,844.78	16,932 hrs.; $1,416,700.44
Evidence Retention	GO 5	1	5	1 hr.; $41.03	5 hrs.; $205.15
	TO 332	1	332	1 hr.; $41.03	332 hrs.; $13,621.96
	GO/TO 161	1	161	1 hr.[22]; $41.03	161 hrs.; $6,605.83
FAC-002-3					
Study & Coordination	PC, TP 399	1	399	32 hrs.; $2,677.44	12,768 hrs.[23]; $1,068,298.56
Evidence Retention	PC, TP 183	1	183	1 hr.; $41.03	183 hrs.; $7,325.49
	TO, DP, LSE, GO 216	1	216	1 hr.; $41.03	216 hrs.; $8,862.48
FAC-010-3, FAC-011-3, FAC-014-2					
Transmission & Planning	PA/ RC/ TP/TO 470[24]	1	470	295.7hrs.; $24,741.219	138,979 hrs.; $11,628,372.93
FERC-725D	1,957	1	1,957	366.7 hrs.;	168,655 hrs.[25];

[22] The average burden hours per response related to FAC-001-3 was listed as 2 hours in the RM16-13 Final Rule, resulting in an annual burden related to FAC-001-3 of 322 hours (from 161 hours in the issued Final Rule).

[23] The previous burden in the 60-day notice published on 11/5/2020 was modified to reflect the net changes in burden mention in RD20-4 and incorporated previously omitted evidence retention burden.

[24] The total number of Planning Authorities, Reliability Coordinators, Transmission Planners and Transmission Operators equals 470 (taken from the October 2020, version of NERC's compliance registry).

[25] This deducts net proposed changes (-146 responses and-921 hours) with totals reflecting reporting and recordkeeping requirements. The retention totals and the net changes still reflect an increase because the retention totals were inadvertently omitted in the past. So it now states a

Totals (Reporting Reqs. and Evidence Retention for FAC-001-3, FAC-002-3, FAC-010-3, FAC-011-3, and FAC-014-2), reflecting RD20-4 and renewal					$14,079,040.68

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There is no start-up, capital, or other non-labor hour cost associated with the PRA aspects of FERC-725D. All costs are associated with burden hours and are addressed in Questions 12 and 15.

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. Therefore, there are no costs for analysis and processing of filings.

The PRA Administrative Cost (estimate of $6,475 annually) is a Federal Cost associated with preparing, issuing, and submitting materials necessary to comply with the Paperwork Reduction Act of 1995 (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 or orders, and other changes to the collection, as well as necessary publications in the Federal Register.

	Number of Employees (FTE)	**Estimated Annual Federal Cost**
Analysis and Processing of filings[26]	0	0
PRA Administrative Cost		$6,475
FERC Total		$6,475

more accurate estimate (with calculations reflected in supplementary documents).

[26] Based upon FERC's 2020 FTE average salary plus benefits ($172,329)

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

Burden estimates for the following Reliability Standards in FERC-725D are unchanged as follows:

- FAC-001-3 remains unchanged at 498 responses.[27]
- FAC-010-3, FAC-011-3 and FAC-014-2 remain unchanged at 470 responses.[28]

Docket No. RD20-4 has a net decrease (-146) in responses for FAC-002-3 (previously FAC-002-2) which created a total of 1,957 responses (net change was already calculated in the renewal but omitted the retention totals in prior renewals). The net decrease includes the following.

- The reduction of 93 respondents and corresponding burden hours include 63 LSEs that were de-registered (program decrease of 1,008 hrs.) and an adjustment decrease of 30 respondents (480 hrs.) due to normal industry fluctuations.
- Out of the total decrease of 1,488 hours, the program decrease of 1,008 hours [corresponding decrease of 63 responses] is due to Docket No. RD20-4-000. The reduction of 480 hours is due to normal adjustments.

For this notice and moving forward, Evidence Retention is included in the burden estimates for all standards.

- There is an increase in burden hours (both program change and adjustments) from 154,742 to 168,655 to reflect a more accurate estimate from RD20-4 and the renewal. (The retention totals and the net changes still reflect an increase because the retention totals were inadvertently omitted in the past. So it now states a more accurate estimate).
- The totals were updated to reflect the current burden due to normal fluctuation in the industry (an adjustment)**.** Also, the totals reflect deductions of the net proposed changes (-146 responses) as stated above (-921 hours) with retention included**.**

The following table summarizes the changes in burden and responses as discussed in Docket No. RD20-4 and in Docket No. IC21-3. For this renewal, the burden was updated to reflect the totals for the Reliability standards that currently fall under FERC-725D which includes the version update of FAC-002-3 within Docket No. RD20-4.

[27] This is the sum of the OMB-approved burden for FAC-001-2 of 337 responses plus the additional OMB-approved burden for FAC-001-3 of 161 responses. These burden estimates do not include the responses for evidence retention as shown in Docket No. RD14-12-000.

[28] The OMB-approved burden for FAC-010-3, FAC-011-3 and FAC-014-2 is a joint burden estimate of 470 responses as shown in the 2011 supporting statement for FERC-725D. All standards within this collection are being fixed by making sure the evidence retention burden is included for all reliability standards within FERC-725D.

FERC-725D	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	1,957	1,367	736	-146
Annual Time Burden (Hr.)	168,655	154,742	14,834	-921
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 PRA information (including expiration dates and OMB Control Nos.) is posted at http://www.ferc.gov/docs-filing/efiling.asp

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The Commission does not use statistical methods for FERC-725D.