

Supporting Statement for  
**FERC-516G, Electric Rates Schedules and Tariff Filings,  
OMB Control Number 1902-0295**

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review and renew FERC-516G (Electric Rates Schedules and Tariff Filings, OMB Control No. 1902-0295) for three years.

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

In accordance with section 206 of the Federal Power Act (FPA),<sup>1</sup> the Commission regulates the transmission and wholesale sale of electricity in interstate commerce. Section 206 of the FPA authorizes the Commission to take action, upon finding that jurisdictional rates or terms and conditions are “unjust, unreasonable, unduly discriminatory or preferential.”

In 2018, the Commission issued a final rule addressing reporting of uplift and operator-initiated commitments.<sup>2</sup> The Commission found that the then-existing reporting practices were insufficiently transparent, thus resulting in a need for action under FPA section 206. In the final rule, the Commission amended 18 CFR 35.28 by adding a new paragraph (g)(10), which requires each Independent System Operator (ISO) and Regional Transmission Organization (RTO) to post information regarding uplift on a publicly accessible portion of its website.

The Commission requested, and OMB approved, the creation of FERC-516G. As approved by OMB, FERC-516G includes information collection activities pertaining to zonal uplift, resource-specific uplift, and operator-initiated commitment. The Commission requests renewal of these activities.

As originally cleared by OMB, FERC-516G also included a one-time requirement that ITOs and RTOs revise their tariffs in accordance with 18 CFR 35.28(g)(10)(iii). The relevant tariffs have been revised, and FERC is requesting removal of that one-time information collection activity.

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

The three continuing information collection activities are as follows:

Zonal Uplift

Each Commission-approved RTO/ISO must post uplift, paid in dollars, and categorized by transmission zone, day, and uplift category. Transmission zone is defined as the geographic area that is used for the local allocation of charges.<sup>3</sup> Transmission zones with fewer than four

---

<sup>1</sup> 16 U.S.C. 824e.

<sup>2</sup> “Uplift Cost Allocation and Transparency in Markets Operated by Regional Transmission Organizations and Independent System Operators,” Final Rule, 83 FR 18134 (April 25, 2018).

<sup>3</sup> Transmission zones are included in both the Zonal Uplift Report and the Operator-Initiated

resources may be aggregated with one or more neighboring transmission zones, until each aggregated zone contains at least four resources, and reported collectively. This report must be posted within 20 calendar days of the end of each month.

Requiring the RTOs/ISOs to post this information facilitates market participants' ability to evaluate possible solutions to reduce the incurrence of uplift, thereby leading to more just and reasonable rates. For example, with granular information on the location, amounts, and types of uplift, market participants can evaluate the benefits of additional transmission upgrades that could reduce the need for unit commitments. Market participants can also use the information to raise issues of concern in the relevant stakeholder process.

### Resource-Specific Uplift

Each Commission-approved RTO/ISO must post the resource name and the total amount of uplift paid in dollars aggregated across the month to each resource that received uplift payments within the calendar month, to be posted within 90 calendar days of the end of each month.

The Resource-Specific Uplift posting improves transparency into the causes of uplift. This posting complements the Zonal Uplift Report by providing more granular technology-type and geographic information, allowing market participants to identify potential system needs at specific locations that may not otherwise be revealed through price signals. The locational granularity of the required uplift report also mirrors the locational granularity of energy prices. The two uplift postings in combination improve market efficiency by providing information to market participants considering, for example, where to site new resources, transmission facilities, or demand response. These postings also support the efficient functioning of RTO/ISO markets by improving market participants' understanding of how uplift is calculated, how uplift relates to system needs, and the predictability of uplift payments and charges going forward.

The Commission recognizes that the timing of uplift posting is driven, in part, by each individual RTO's/ISO's market settlement process, which needs to be completed before an uplift report can be compiled. Each RTO/ISO produces a variety of public reports daily, monthly, and over longer time intervals. Each RTO/ISO has the flexibility to align the production of the uplift reports with any other public report it generates within the relevant reporting timeline (e.g., 20 days after the end of the month for the Zonal Uplift posting and 90 days after the end of the month for the Resource-Specific Uplift posting) in order to reduce the reporting burden.

---

Commitment Report. *See* 18 CFR 35.28(g)(10)(i) and (ii). All RTOs/ISOs have several types of zones within their footprints, each with different terminology and definitions. "Transmission zone" is not a universal term among RTOs/ISOs; for the purposes of reporting uplift the Commission defines a "transmission zone" as a geographic area that is used for the local allocation of charges. The Commission has determined that on balance, this definition will provide the transparency benefits of geographically granular information while minimizing the risk of harm to the market from the potential release of commercially-sensitive information. With this definition, the Commission aims to ease the reporting burden on RTOs/ISOs by allowing them to use existing zones rather than requiring them to adjust data and the geographic level of their reporting to fit a newly prescribed level of geographic granularity.

### Operator-Initiated Commitment

Each Commission-approved RTO/ISO must post each operator-initiated commitment, listing the size of the commitment, transmission zone, commitment reason, and commitment start time on a publicly accessible portion of its website within 30 calendar days of the end of each month. A transmission zone is defined as a geographic area that is used for the local allocation of charges. Commitment reasons include, but are not limited to, system-wide capacity, constraint management, and voltage support. For purposes of 18 CFR 35.28(g)(10), an operator-initiated commitment is a commitment after the day-ahead market, whether manual or automated, for a reason other than minimizing the total production costs of serving load.

Transparency of operator-initiated commitments is important because such commitments can affect energy and ancillary service prices and can result in uplift. Greater transparency will allow stakeholders to better understand the drivers of uplift costs, assess an RTO's/ISO's operator-initiated commitment practices, and raise any issues of concern through the stakeholder process. The Operator-Initiated Commitment posting provides granular information about the location, timing, causes and size of operator-initiated commitments. Such information allows stakeholders to better understand the connections between system needs and operator actions and to make investments in facilities and equipment where most needed by the system, thus potentially improving market efficiency.

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

This information collection requires monthly postings on each individual respondent's website. These requirements improve the usability of information and aim to strike a balance between ensuring transparency for stakeholders in the form of clear, easy-to-use data in machine-readable format, reported at regular intervals, and minimizing the burden on RTOs/ISOs.

### **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 is the only entity that collects the information, and FERC-516G is the only OMB clearance for collecting the information in this collection. Some uplift information is also reported in Electronic Quarterly Reports.<sup>4</sup> However, the Commission has not required uplift to be reported in EQR at the level of granularity necessary to meet the price formation objectives of this proceeding. For example, EQR uplift information does not differentiate between different categories of uplift. In contrast, FERC-516G specifically pertains to RTOs and ISOs, and requires detailed information on uplift that is not required in EQRs.

---

<sup>4</sup> Electronic Quarterly Reports (EQRs) are included in FERC-920 (OMB control number 1902-0255). EQRs serve as a reporting mechanism for public utilities to fulfill their responsibility under section 205(c) of the Federal Power Act to have their rates and charges on file in a convenient form and place.

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

The Small Business Administration (SBA) classifies an entity as an electric utility if it is primarily engaged in the transmission, generation, and/or distribution of electric energy for sale. Under this definition, the six RTOs/ISOs are considered electric utilities, specifically focused on electric bulk power and control. The size criterion for a small electric utility is 500 or fewer employees.<sup>5</sup> Since every RTO/ISO has more than 500 employees, none are considered small entities.

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

The Commission has determined that these information collection activities provide for transparency that is necessary for just and reasonable rates. If the Commission failed to collect the information, or collected it less frequently, the Commission would be unable to ensure that the relevant rates are just and reasonable.

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

The Commission's regulations at 18 CFR 35.28(g)(10) require posting of certain uplift information every month. In accordance with 5 CFR 1320.5(d)(2), the Commission explains here why it is necessary to collect the information more frequently than quarterly.

In the rulemaking that led to the promulgation of 18 CFR 35.28(g)(10), the Commission determined that monthly reporting requirements are necessary to ensure just and reasonable rates in compliance with FPA section 206, and that there is specific, objective support for the burden estimates associated with the information collection requirements.<sup>6</sup>

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

Each FERC rulemaking or renewal of an information collection activity 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. On April 6, 2021, the Commission issued a notice inviting public comments on the proposed renewal of this information collection for a period of 60 days.<sup>7</sup> The notice was published in the Federal Register on April 12, 2021.<sup>8</sup> The comment period ended on June 11, 2021.

<sup>5</sup> 13 CFR 121.201 (Sector 22, Utilities).

<sup>6</sup> 83 FR at 18139 and 18153 - 54.

<sup>7</sup> [https://elibrary.ferc.gov/eLibrary/filelist?document\\_id=14944774&optimized=false](https://elibrary.ferc.gov/eLibrary/filelist?document_id=14944774&optimized=false).

<sup>8</sup> 86 FR 18968.

The Commission issued a second notice seeking public comments for a period of 30 days on June 16, 2021. The notice was published in the Federal Register on June 24, 2021.<sup>9</sup>

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

There are no payments or gifts to respondents of this collection.

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

The FERC-516G data 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 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**

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

**12. ESTIMATED BURDEN COLLECTION OF INFORMATION**

The estimated burden and cost<sup>10</sup> for the requirements contained in 18 CFR 35.28(g)(10) are as follows:

**FERC-516G Annual Burden Estimates in Docket No. IC21-14-000**

---

<sup>9</sup> 86 FR 33266.

<sup>10</sup> The hourly cost estimate is based on data from the Bureau of Labor Statistics for three occupational categories for 2020 involved in the reporting and recordkeeping requirements. These figures include salary ([https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm)) and benefits and are:

- Manager (Occupation Code 11-0000): \$97.15/hour
- Electrical Engineer (Occupation Code 17-2071): \$70.19/hour
- File Clerk (Occupation Code 43-4071): \$34.79/hour

Therefore, \$97.15 + \$70.19 + \$34.79= \$202.13. The estimated hourly cost for the reporting requirements (\$67.38/hour) is an average of the costs listed above.

A. Type of Response	B. No. of Respondents	C. Annual No. of Responses per Respondent	D. Total No. of Responses (Column B x Column C)	E. Average Burden Hours & Cost Per Response	F. Total Annual Burden Hours & Cost (Column D x Column E)	G. Cost per Respondent (Column F ÷ Column B)
Preparing and Posting of 3 reports on company website each month	6	12	72	3 hrs.; \$202.14	216 hrs.; \$14,554.08	\$2,425.68

**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 information collection rule are associated with burden hours (labor) and described in Questions #12 and #15 in this supporting statement.

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

	Number of Employees (FTE)	Estimated Annual Federal Cost (rounded)
Analysis and Processing of Filings <sup>11</sup>	0.25	\$43,082.25
PRA <sup>12</sup> Administrative Cost	N/A	\$6,475.00
FERC Total		\$49,557.25

The Commission bases its estimate of the “Analysis and Processing of Filings” cost to the Federal Government on salaries and benefits for professional and clerical support. This estimated cost represents staff analysis, decision-making, and review of any actual filings submitted in response to the information collection as well as monitoring of the website postings.

<sup>11</sup> The “Analysis and Processing” estimates use \$172,329 for each FERC full-time equivalent (FTE). This is the current average annual salary plus benefits for one FERC FTE.

<sup>12</sup> Paperwork Reduction Act of 1995 (PRA).

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, and other changes to the collection.

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

As originally cleared by OMB, FERC-516G included a one-time requirement that ITOs and RTOs revise their tariffs. The relevant tariffs have been revised, and that activity is no longer needed. Removal of the one-time information collection activity results in 6 fewer responses and 3,000 fewer burden hours annually. The remaining requirements are ongoing, and there are no adjustments or program changes for them.

Because of the manner of presentation of burdens in ROCIS previously, the removal of the one-time burdens will result in 2 fewer responses and 3,000 fewer burden hours annually. As presented in the supporting statement for the rulemaking that led to the promulgation of 18 CFR 35.28(g)(10), the annualized burdens for the tariff-related activity in Year One were estimated as 6 responses and 3,000 hours. Thus, considering only that activity, removal of the one-time information collection activity seems to result in 6 fewer responses and 3,000 fewer burden hours annually. This is how the one-time and ongoing burdens were shown in the supporting statement that accompanied the promulgation of 18 CFR 35.28(g)(10):

- For Year 1, the one-time burdens were added to one year's worth of the ongoing burdens (i.e., 78 responses and 3,216 hours);
- For Years 2 and 3, the total burden was calculated as including only the ongoing responses and hour burdens (i.e., 72 responses for each year and 216 hours for each year); and
- For Years 1 through 3, 78 responses and 3,648 hours.

In the ROCIS presentation for the rulemaking, these total burdens were presented as only one information activity with the average of the total burdens for Years 1 through 3 —

- 74 responses [(78 responses + 72 responses + 72 responses)/3 years]; and
- 1,216 hours (3,648 hours/3 years) and for Years 1-3.

The requested burdens for this information collection renewal, as compared with the previously approved ROCIS presentation, are itemized in the following table:

<b>A. Requested Total Responses and Hours</b>	<b>B. Previously Approved Total Responses and Hours as Presented in ROCIS</b>	<b>C. Net Change in Estimated Responses and Hours</b>
72 responses; 216 hours	74 responses; 1,216 hours	2 fewer responses; 1,000 fewer hours

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

The data are used for regulatory purposes only and are not published.

**17. DISPLAY OF EXPIRATION DATE**

The expiration date will be 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.