

Supporting Statement for
FERC-566 (Annual Report of a Utility's Twenty Largest Purchasers)
(Three-year extension requested)

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) extend its approval of the information collection requirements in FERC-566 (OMB Control No. 1902-0114) for an additional three years. The requirements for FERC-566 are listed at 18 CFR 46.3.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

Section 305(c)(2) of the Federal Power Act (FPA)¹ and 18 CFR 46.3 require public utilities to publish and file a list of their 20 largest purchasers of electric energy on or before January 31 of each calendar year. The list must include each entity that purchased (for purposes other than resale) one of the 20 largest annual amounts of electric energy sold by such public utility (or by any public utility which is part of the same holding company system) during any one of the three calendar years immediately preceding the filing date. The preferred format (i.e., Form No. 566) for submitting this information is at <https://www.ferc.gov/electric/general-information/electric-industry-forms>. We are submitting, and requesting OMB approval for, revised and updated instructions for the preferred format in accordance with the display requirements at 5 CFR 1320.5(b).

The information collected under FERC-566 allows the Commission to determine whether public or private interests will be adversely affected by business relationships between public utilities and their 20 largest purchasers of electricity.

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

This information collection provides insight into complex electric corporate activities and interactions. It serves to safeguard public and private interests, as the FPA requires, by disclosing to both the public and to the Commission business relationships between utilities and their customers which are subject to interlocking officer and director reporting requirements.

The statutory requirements of the FPA identify who must file in accordance with FERC-566 and establishes the filing deadline of January 31 of each year. The regulations at 18 CFR 46.3 provide the following additional details:

¹ 16 U.S.C. 825d(c)(2).

- In general, each purchaser must be identified by name and principal business address, but any individual residential customers on the list should be identified as “Residential Customer,” and with a zip code in lieu of an address.
- The list must be submitted to the Secretary of the Commission in accordance with filing procedures posted on the Commission's Web site at <http://www.ferc.gov>.
- The list must be made publicly available through the public utility’s principal business office.

The regulations at 18 CFR 46.3 exempt the following types of public utilities from the requirements of FERC-566: (1) Regional Transmission Organizations, as defined in 18 CFR 35.34(b)(1), and Independent System Operators, as defined in 18 CFR 35.46(d); (2) exempt wholesale generators, as defined in 18 CFR 366.1, that are certified as such pursuant to 18 CFR 366.7; and (3) public utilities that have either no reportable sales or only sales for resale in any of the three preceding years.

If data for actual annual sales (for purposes other than resale) are not available in the records of the public utility, the utility may use estimates based on actual data available to it. If one purchaser maintains several billing accounts with the public utility, the kilowatt hours purchased in each account of that purchaser shall be aggregated to arrive at the total for that purchaser.

If a public utility relies upon any estimates for its January 31st filing, the list must be revised no later than March 1 of the year in which the list was originally filed to reflect actual data not available to the utility prior to that time. Any revised list must be filed with the Commission and made publicly available through the utility's principal business office no later than March 1. A utility filing a revised list shall indicate thereon the changes made to the list previously filed. On or before the filing and publication of the revised list, the public utility must notify any newly-listed purchasers and any purchasers whose names were removed from the list.

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

The Commission allows the option of filing FERC Form 566 through the eFiling interface. Tips for eFiling are at: <https://www.ferc.gov/ferc-online/overview>.

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

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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. Three FERC information collections (FERC-520, and FERC-561, and FERC-566) that pertain to interlocking directorates, but each collection is distinct substantively and procedurally.

The respondents for FERC-520 (Application for Authority to Hold Interlocking Directorate Positions, OMB Control Number 1902-0083) are officers and directors of regulated public utilities seeking authorization, in accordance with section 305(b)(1) of the FPA,² to hold simultaneous positions as officers and directors of certain other types of entities.³ Individuals who seek such authorization must obtain a determination from the Commission that their employment outside the public utility does not adversely affect either public nor private interests. Respondents submit the required information “on occasion.”

The respondents for FERC-561 (Annual Report of Interlocking Directorates, OMB Control Number 1902-0099) are individuals who must report their interlocking positions between public utilities and several types of entities (including, but not limited to, purchasers) on or before April 30 of each calendar year. This requirement is at section 305(c)(1) of the FPA.⁴ Respondents submit the required information annually.

The respondents for FERC-566 (i.e., this information collection) are public utilities that must report their 20 largest purchasers on or before January 31 of each calendar year. This requirement is at section 305(c)(2) of the FPA.⁵ Respondents submit the required information annually.

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

This information collection imposes the least possible burden on small entities while collecting the information necessary for the Commission to carry out its responsibilities under section 305 of the FPA and 18 CFR 46.3.

² 16 U.S.C. 825d(b)(1).

³ The entities listed in section 305(b)(1) are banks, trust companies, banking associations, firms that are authorized by law to underwrite or participate in the marketing of securities of the public utility, and companies supplying electrical equipment to the public utility.

⁴ 16 U.S.C. 825d(c)(1).

⁵ 16 U.S.C. 825d(c)(2).

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

If the collection of information were conducted less frequently, the Commission would be unable to perform its mandated oversight and review responsibilities with respect to interlocking directorates.

The frequency and substance of this information collection is directly mandated by section 305(c)(2) of the FPA. It would literally take an Act of Congress to change the frequency of this information collection.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

There are no special circumstances related to the FERC-566 information collection.

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

In accordance with OMB requirements, each FERC activity that results in the revision of an information collection 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, and/or suggestions concerning the approved collections of data.

On June 23, 2021, the Commission issued a 60-day notice, which was published in the Federal Register on June 29, 2021.⁶ On September 1, 2021, the Commission issued a 30-day notice, which was published in the Federal Register on September 7, 2021.⁷ Within the public notices, the Commission noted that it would be requesting a three-year extension of the public reporting burden. The Commission received no comments from the public in response to the 60-day notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no gifts or payments given to the respondents associated with this collection.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission does not consider the information collected in FERC-566 filings to be confidential. However, the Commission will consider specific requests for confidential

⁶ 86 FR 34237.

⁷ 86 FR 50096.

treatment to the extent permitted by law.⁸ The Commission will review each request for confidential treatment on a case-by-case-basis.

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

There are no questions of a sensitive nature in the reporting requirements.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

Based on the Commission’s recent information with the burden of FERC-566, the estimated burden and cost is:

Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden & Cost Per Response⁹ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
321	1	321	4 hrs.; \$348	1,284 hrs.; \$111,708	\$348

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no non-labor Paperwork Reduction Act (PRA) related costs. All of the costs in the information collection are associated with burden hours and addressed in Questions 12 and 15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The following table contains the annualized effort and cost to the Federal Government for FERC-566.

FERC-566	Number of Employees	Estimated Annual
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⁸ 18 CFR 388.112(a)(1).

⁹ Commission staff estimates that the average industry hourly cost for this information collection is approximated by the current FERC 2021 average hourly costs for wages and benefits, i.e., \$87.00/hour.

	(FTEs)	Federal Cost
Analysis and Processing of filings ¹⁰	0.50	\$90,351.50
Paperwork Reduction Act Administrative Cost		\$8,279.00
TOTAL		\$98,630.50

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 made 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 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, as well as related publications in the Federal Register.

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

There are no program changes. The estimated number of annual responses has been adjusted from 300 to 321 to account for changes in the number of public utilities that are subject to the requirements of this information collection. The estimated number of annual burden hours has been adjusted from 1,200 to 1,284 because of the increased number of respondents. These changes are itemized in the following table:

FERC-566	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	321	300	+21	0
Annual Time Burden (Hr.)	1,284	1,200	+84	0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no publication of data associated with FERC-566 collection of information.

17. DISPLAY OF EXPIRATION DATE

¹⁰ This is based upon FERC’s 2021 average annual salary plus benefits of \$180,703.

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The expiration date is shown at:

<https://www.ferc.gov/enforcement-legal/legal/information-collections>.

In addition, the expiration date will be shown on the updated and revised instructions for the preferred format (i.e., Form No. 566) after OMB approves those instructions.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to this collection.