

# Supporting Statement for Requests for Approval under the Paperwork Reduction Act and 5 CFR 1320

## Distribution Technology Capability Assessment

OMB # \_\_\_\_\_

### SECTION A. JUSTIFICATION:

***1. Explain the circumstances that make the collection of information necessary.***

As the Balancing Authority of the region, TVA must ensure the electrical grid is reliable. With the growth of Distributed Energy Resources (DER) on the distribution system, TVA and the Local Power Companies (LPCs) must work in tighter coordination to ensure the DER generation does not impact the reliability of the bulk electric system. To support this goal, TVA must understand the current distribution capabilities of the LPCs. Example of capabilities include but are not limited to customer analytics, advanced asset management, advanced AMI, automated switching, DER monitoring & control, grid planning and voltage optimization.

***2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.***

The information collected is reviewed by TVA staff and consultants to determine each LPCs state of and plan for system modernization and will inform strategic investment roadmaps and implementation plans that are being developed as part of the Regional Grid Transformation initiative.

Summary level information will be provided to the participating LPCs to allow them to gauge where they stand in terms of their technical capabilities compared to their peers which could help give them useful information that informs their individual priorities and investment plans.

***3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.***

The information will be submitted "online" for ease of access and ease of completion.

***4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.***

An internal cross-functional team was used to review the questions to identify any areas where TVA may have previously collected similar information.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

There is no significant impact on a substantial number of small businesses; however, TVA provides technical assistance to any small businesses that request it.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

TVA is the Balancing Authority of the area. A Balancing Authority Area is the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area. Further, a Balancing Authority is the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time.

As more DER is sited on the distribution system, TVA needs to have visibility and understanding of the DER to maintain the load-resource balance within this area. If TVA is not able to maintain the load-resource balance, the electrical system reliability will be compromised.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- *requiring respondents to report information to the agency more often than quarterly;*
- *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*
- *requiring respondents to submit more than an original and two copies of any document;*
- *requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;*
- *in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;*
- *requiring the use of a statistical data classification that has not been reviewed and approved by OMB;*
- *that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or*
- *requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.*

None of these apply.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.**

No notice has been created.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payments or gifts are provided.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

The majority of information provided is not confidential. Most information collected describes an LPC's current state or potential future plans and is not of a sensitive or personal nature.

**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 information collection does not ask questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information.**

*The statement should:*

- *Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices. \* **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.***

Number of responses: Approximately 153.

Frequency of Response: Every two years.

Annual Hour Burden: 2 hours per LPC. Therefore, the Total Annual Hour Burden is 306 hours (2 hours x 153 LPCs = 306 hours). Burden is estimated by completion of the assessment by consulting staff.

Total estimated annualized cost for respondents to provide information: \$7,286.

*Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included under item 13.*

Annualized cost per applicant: The average hourly wage for the states in the TVA service area is \$23.81. This estimate was calculated using a snapshot of data taken on 2-14-2019 from the U.S. Bureau of Labor Statistics National Compensation Survey on Wages from the following sources:

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_mississippi.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_mississippi.htm)

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_kentucky.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_kentucky.htm)

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_alabama.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_alabama.htm)

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_tennessee.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_tennessee.htm)

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_georgia.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_georgia.htm)

[https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages\\_northcarolina.htm](https://www.bls.gov/regions/southeast/news-release/countyemploymentandwages_northcarolina.htm)

[https://www.bls.gov/regions/mid-atlantic/news-release/countyemploymentandwages\\_virginia.htm](https://www.bls.gov/regions/mid-atlantic/news-release/countyemploymentandwages_virginia.htm)

Based on the estimated 2 hour burden, the total annualized time cost for all applicants is \$7,286 ( $\$23.81 \times 306 = \$7,286$ ).

**13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.** Do NOT include the labor cost (wage equivalent) of the burden hours described in Question 12 (above). The information required here corresponds to that in #14 on the 83-I (cost to the public).

*The cost estimate should be split into two components:*

- a. a total capital and start-up cost component (annualized over its expected useful life) and
- b. a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major

*cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.*

*If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.*

*Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.*

Capital and startup cost do not apply this assessment.

**14. Provide estimates of annualized costs to the Federal government.**

*Include here a description of the method used to estimate costs to the Federal government, which should show the quantification of hours, operational expenses (such as equipment, overhead, printing, and staff support), and any other expense which would not have been incurred without this collection of information. If there will be no costs beyond the normal labor costs for staff, state so.*

The cost of creating and deploying the assessment and later analyzing the results is estimated to be \$200,000. This cost includes consulting and TVA labor.

**15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.**

Not applicable.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

Not applicable.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

Not applicable.

**18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions,"**

Not applicable.

**Section B. Collections of Information Employing Statistical Methods**

This information collection does not employ statistical methods.