

Supporting Statement for
FERC-555, Preservation of Records for Public Utilities and Licensees, Natural Gas Companies, and Oil Pipeline Companies

The Federal Energy Regulatory Commission (FERC or Commission) requests that the Office of Management and Budget (OMB) review and approve the FERC-555 information collection (OMB Control Number 1902-0098) for a three-year period. The FERC-555 is a current collection and its record retention requirements are contained in Title 18 Code of Federal Regulations (CFR) Parts 125, 225, and 356.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

Provisions of the Federal Power Act, the Natural Gas Act, and the Interstate Commerce Act make this collection of information necessary. Section 301(a) of the Federal Power Act (16 U.S.C. 825(a)) and section 8(a) of the Natural Gas Act (15 U.S.C. 717g(a)) both require companies that are subject to those statutes to maintain records that the Commission may prescribe as "necessary or appropriate for purposes of administration" of these acts. Section 60502 of the Interstate Commerce Act provides that the Commission has the duties and powers related such transportation that were vested in the Interstate Commerce Commission on October 1, 1977. The duties and powers that were transferred to FERC include the authorization in section 20 of the 1997 Interstate Commerce Act to require "full, true, and correct answers to all questions" the Commission may deem necessary.¹

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

The regulations at 18 CFR Part 125 govern the preservation of records by public utilities that are subject to the jurisdiction of the Commission and by licensees holding licenses issued by the Commission. The regulations at 18 CFR Part 225 govern the preservation of records by natural gas companies that are subject to the jurisdiction of the Commission. The regulations at 18 CFR Part 356 govern the preservation of records by oil pipeline companies that are subject to the jurisdiction of the Commission.

Jurisdictional companies use the records as the basis for rate filings and reports for the Commission. The Commission uses the records during periodic compliance reviews by audit and compliance staffs, during investigations by the enforcement staff, and for

¹ Section 20 is reprinted at [Interstate Commerce Act \(ferc.gov\)](https://www.ferc.gov/interstate-commerce-act), which is included in Volume I of the FERC Staff Oil Pipeline Handbook at <https://www.ferc.gov/industries-data/oil/staff-oil-pipeline-handbooks/volume-i-staff-oil-pipeline-handbook>.

special analyses as deemed necessary by the Commission.

In general, FERC's regulations require jurisdictional companies to maintain the following types of records:

- Corporate;
- Information Technology Management;
- General Accounting;
- Personnel and Payroll;
- Transportation;
- Tariffs and Rates;
- Insurance;
- Operations and Maintenance;
- Plant and Depreciation;
- Purchase and Stores;
- Revenue Accounting and Collection;
- Tax;
- Treasury; and
- Miscellaneous.

Parts 125, 225, and 356 set the minimum length of time that jurisdictional companies must retain the relevant records. If jurisdictional companies did not retain records as prescribed by FERC-555 there would be an inadequate basis of available information for proper rate filings and reports. Further, without access to these records, jurisdictional companies may be unable to produce the necessary documentation during a Commission-led audit or investigation.

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's regulations state that the storage media selected must have a life expectancy at least equal to the applicable record retention period unless there is a quality transfer of the data from one media to another with no loss of data. The Commission purposefully does not mandate a specific media type to allow companies flexibility in the selection of media which would provide the ability to adapt quickly to changes in technology without the necessity of obtaining Commission approval of the use of media not provided for in the regulations. The Commission believes that the current regulations provide for efficiencies and savings from reduced retention periods and unrestricted use of storage media.

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 review dates arise, or as the Commission may deem necessary in carrying out its responsibilities, in order to eliminate duplication and ensure that filing burden is minimized. The records retained under FERC-555 are singular in nature and the Commission contemplates no other means of obtaining the necessary information for rate filings, audits, and reports.

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

The FERC-555's record retention requirements are applicable to some small entities and 18 CFR Parts 125, 225, and 356 do not provide any measures for exemptions or waivers for these companies. However, the Commission believes that small entities make up an insignificant portion of the total number of respondents and, therefore, does not use any methods to minimize burden on these entities.

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

These records are retained by jurisdictional companies to be used by them as previously noted, and are not collected by the Commission except to the extent they are relevant to periodic compliance reviews by audit and compliance staffs, during investigations by the enforcement staff, and for special analyses as deemed necessary by the Commission. Absent the availability of these records, and ability to obtain them, the Commission would not be able to carry out its regulatory responsibilities as authorized by the Federal Power Act, the Natural Gas Act, and the Interstate Commerce Act.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The Commission needs sufficient data available for scrutiny in order to carry out its statutory and regulatory mandates. For rate case filings, it is imperative that the Commission and its staff have access to supporting rate-case documentation, as well as documentation that might be pertinent to complaint proceedings. For these reasons, many record schedules are set for longer than the three-year period generally applicable (5 CFR 1320.5(d)(2)(iv)).

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

In accordance with OMB requirements, the Commission published a 60-day notice on July 22, 2022 (87 FR 43827). The comment period ended on September 20, 2022. The Commission received no comments in response. The Commission published a 30-day notice on January 9, 2023 (88 FR 1216).

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not make payments or provide gifts to respondents related to FERC-555.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

None of the data associated with the FERC-555 are filed at or with the Commission, except to the extent they are used during periodic compliance reviews by audit and compliance staffs, during investigations by the enforcement staff, and for special analyses as deemed necessary by the Commission. These records are maintained by the jurisdictional companies in/on their own facilities. As such, the Commission offers no assurance of confidentiality and leaves that responsibility to each jurisdictional company.

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 that are considered private in FERC-555.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the annual hour burden² and hour-related cost³ for respondents as follows.

² "Burden" is 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.

³ Commission staff estimates that respondents' hourly wages and benefits are comparable to those of FERC employees in FY2022 (i.e., \$91.00).

**Table 12
Estimated Annual Respondents’ Hour Burdens for FERC-555**

Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hrs. & Cost (\$) Per Response⁶ (4)	Total Annual Burden Hours & Total Annual Cost (\$) (3)*(4)=(5)
509	1	509	5,218 hrs.; \$474,838	2,655,962 hrs.; \$241,692,542

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

The Commission estimates that entities incur non-hour burden costs for storage space (physical and electronic) in order to comply with the record retention requirements. FERC estimates that the annual total non-hour record storage cost is \$78,243,220. The average annual rounded non-hour storage cost per company is \$153,719 (i.e., \$78,243,220 ÷ 509).

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The Commission incurs costs associated with analyzing and processing records obtained for during periodic compliance reviews by audit and compliance staffs, during investigations by the enforcement staff, and for special analyses as deemed necessary by the Commission, and in obtaining OMB clearance under the Paperwork Reduction Act (PRA). In Table 14, the Commission bases its estimate of Federal “Analysis and Processing Costs” 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 records in financial audits of records maintained in accordance with this information collection.

The estimated PRA Administrative Cost of \$7,694⁴ 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

The estimated annual federal costs for FERC-555 are itemized as follows.

⁴ Estimate as of August 2022.

Table 14
Estimated Annual Federal Costs for FERC-555

	Number of Employees (FTEs)	Estimated Annual Federal Cost
Analysis and Processing Costs	72	\$13,607,424
PRA Administrative Cost		\$7,694
TOTAL		\$13,615,118

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

There are no program changes. There is an adjustment of 72 fewer burden hours because we decided it was more plausible to use a whole number (i.e., 5,218) to report the hours per response, instead of the previous number that included 8 decimal places (i.e., 5,218.14145383). The upward adjustment in hour-related costs is due to an increase in hourly wages plus benefits.

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	509	509	0	0
Annual Time Burden (Hr.)	2,655,962	2,656,034	Minus 72 hours	0
Annual Cost Burden (\$)	\$78,243,220	\$78,243,220	0	X

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no regularly scheduled publication of data associated with FERC-555 information. Any publication of data associated with FERC-555 information is only to the extent that publication is involved in the Commission’s use of the relevant records during periodic compliance reviews by audit and compliance staffs, during investigations by the enforcement staff, and for special analyses as deemed necessary by the Commission. Otherwise, the FERC-555 records retained by jurisdictional entities are not submitted to FERC and thus are not published by FERC.

17. DISPLAY OF EXPIRATION DATE

FERC-555(OMB Control No. 1902-0098)

The expiration date is displayed in a table posted on ferc.gov at [Information Collections | Federal Energy Regulatory Commission \(ferc.gov\)](#)

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.