

Supporting Statement for  
**FERC-923, Communication of Operational Information  
between Natural Gas Pipelines and Electric Transmission Operators**

The Federal Energy Regulatory Commission (Commission or FERC) requests an approval of an extension of **FERC-923 (Communication of Operational Information between Natural Gas Pipelines and Electric Transmission Operators)** (OMB Control No. 1902-0265) information collection, for a three-year period. There is no change to the current collection.

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

Natural gas continues to be the single largest fuel source for electricity generation in the United States. This trend is expected to continue, resulting in greater interdependence between the natural gas and electric industries. Several events over the last few years demonstrated the crucial interconnection between natural gas pipelines and electric transmission operators and the need for robust communication between these industry sectors to ensure that both systems operate safely and effectively for the benefit of their customers.

The applicable regulations are in 18 CFR:

- Section 38.2, which applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce; and
- Section 284.12(b)(4)(i), which applies to any interstate pipeline.

These regulations authorize public utilities providing transmission service and interstate natural gas pipelines to share non-public, operational information when such information is for the purpose of promoting reliable service or operational planning.

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

Note that this non-public information will be communicated and shared between transmission operators and is not being submitted to FERC. 18 CFR 38.2 [electric side] includes the following.

§38.2 Communication and information sharing among public utilities and pipelines.

(a) Any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce is authorized to share non-public, operational information with a pipeline, as defined in §284.12(b)(4) of this chapter, or another public utility covered by this section for the purpose of promoting reliable service or operational planning.

(b) Except as permitted in paragraph (a) of this section, a public utility, as defined in this section, and its employees, contractors, consultants, and agents are prohibited from disclosing, or using anyone as a conduit for the disclosure of, nonpublic, operational information received from a pipeline pursuant to §284.12(b)(4) of this chapter to a third party or to its marketing function employees as that term is defined in §358.3(d) of this chapter.

18CFR 284.12(b)(4) [gas side] includes the following:

§284.12 Standards for pipeline business operations and communications....

(4) Communication and information sharing among pipelines and public utilities. (i) A pipeline is authorized to share nonpublic, operational information with a public utility, as defined in §38.2(a) of this chapter or another pipeline covered by this section, for the purpose of promoting reliable service or operational planning.

(ii) Except as permitted in paragraph (b)(4)(i) of this section, a pipeline and its employees, contractors, consultants, and agents are prohibited from disclosing, or using anyone as a conduit for the disclosure of, non-public, operational information received from a public utility pursuant to §38.2 of this chapter to a third party or to its marketing function employees as that term is defined in §358.3(d) of this chapter.

Entities from both electric and natural gas industries have made efforts to improve coordination and enhance system reliability by sharing non-public, operational information and continued sharing of non-public, operational information between transmission operators should continue to enhance system reliability and contingency planning in both industries. The information sharing and communications between industry entities are voluntary. FERC's regulations provide a limited exception to actual and perceived restrictions on providing non-public, operational information to third parties.

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

The permitted communications are voluntary. FERC does not prescribe the content, medium, format, or frequency for the information sharing and communications; those decisions are made by the transmission operators, depending on their needs for maintaining reliability or operational planning. As such, no physical or electronic form for the FERC-923 information collection exists.

**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 operational information the transmission operators may choose to share is non-public and, in many cases, consists of current or time-sensitive operational data. The tariff filings are generally public. The information is not publicly available elsewhere.

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

The information sharing is voluntary (regardless of respondents' size) and between transmission operators that believe sharing the non-public, operational information is useful for the purposes of reliability and operational planning.

None of the entities impacted by FERC-923 meet the Small Business Administration's definition of a "small entity."

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

The frequency and content of the information being shared is not mandated by FERC; rather it is determined by the affected entities based on operational circumstances. (FERC, however, estimates the frequency of this information sharing to be 12 times per year, based on operational circumstances and needs.) The goal of the inter-industry communications is to promote operational planning and reliability on either the interstate natural gas pipeline's or utility's system.

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

There are no special circumstances.

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

FERC initiated the renewal process for FERC-923 on October 27, 2022, by publishing a 60-day notice (87 FR 65049). That notice provided for a comment period that ended on December 27, 2022. The Commission received no comments in response to the 60-day notice.

FERC published, a 30-day notice on January 10, 2023 (88 FR 1373). Within the 30-day notice, the Commission noted that it is requesting reinstatement, with adjustments to the burden estimates.

**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 sharing of the non-public data occurs between transmission operators; the data is not provided to FERC. Recipients of the non-public, operational information are subject to a No-Conduit Rule that prohibits subsequent disclosure of that information to a third party or marketing function employee.

**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**

The content being shared is determined by the entities involved based on reliability needs and the operational situation.

**12. ESTIMATED BURDEN COLLECTION OF INFORMATION**

The total estimated annual burden<sup>1</sup> for respondents is:

- 4,152 responses;
- 2,076 burden hours; and
- \$188,916.

The following table shows the pertinent calculations:

<b>FERC-923: Communication of Operational Information between Natural Gas Pipelines and Electric Transmission Operators</b>						
	<b>Number of Respondents (1)</b>	<b>Annual Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2)=(3)</b>	<b>Average Burden Hrs. &amp; Cost (\$) Per Response (4)</b>	<b>Total Annual Burden Hrs. &amp; Total Annual Cost (\$)  (3)*(4)=(5)</b>	<b>Cost per Respondent (\$)  (5)÷(1)</b>
Public Utility Transmission Operator, communications	155 <sup>2</sup>	12	1,860	0.5 hrs.; \$45.50	930 hrs.; \$84,630	\$546
Interstate Natural Gas Pipelines, communications	191 <sup>3</sup>	12	2,292	0.5 hrs.; \$45.50	1,146 hrs.; \$104,286	\$546
<b>TOTAL</b>			4,152		2,076 hrs.; \$188,916	

**13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

There are no non-labor start-up costs. All costs are related to burden hours and are addressed in Questions #12 and #15.

<sup>1</sup> “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 estimated burden, refer to Title 5 Code of Federal Regulations 1320.3.

<sup>2</sup> The estimate for the number of respondents is based on the North American Electric Reliability Corporation (NERC) Compliance Registry as of October 12, 2022, minus the Transmission Operators within ERCOT.

<sup>3</sup> The estimate is based on the number of respondents to the 2021 FERC Forms 2 and 2A (Major and Non-major Natural Gas Pipeline Annual Reports).

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

Since respondents do not submit information to FERC, the sole federal cost for FERC-923 is \$7,694. This is the Paperwork Reduction Act (PRA) Administrative Cost,<sup>4</sup> which includes the average annual FERC cost in 2022 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 estimate also includes the cost of publishing the necessary notices in the Federal Register.

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

There is no change in reporting or recordkeeping requirements and the burden request remains the same.

The following table shows the changes in the burden estimates.

<b>FERC-923</b>	<b>Total Request</b>	<b>Previously Approved</b>	<b>Change Due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	4,152	4,152	0	0
Annual Time Burden (Hours)	2,076	2,076	0	0
Annual Cost Burden (\$)	\$0	\$0	\$0	0

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

The non-public operational data are shared between companies and are not submitted to FERC or published.

**17. DISPLAY OF EXPIRATION DATE**

The expiration dates are displayed in a table posted on ferc.gov at <https://www.ferc.gov/information-collections>.

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.

<sup>4</sup> This estimate was updated August 2022..