

Supporting Statement for
**FERC-1004, One-Time Reports on
Extreme Weather Vulnerability Assessments**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve FERC-1004, One-Time Reports on Extreme Weather Vulnerability Assessments (OMB Control No. 1902-0323), a final rule in Docket Nos. RM22-16-000 and AD21-13-000. FERC-1004 is a one-time information collection, to be imposed on transmission providers.

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

Pursuant to sections 205 and 206 of the Federal Power Act (FPA), the Commission must ensure that the rates, terms, and conditions of Commission-jurisdictional services are just and reasonable and not unduly discriminatory or preferential.¹ FPA section 215 provides the Commission with jurisdiction for overseeing the development and enforcement of reliability standards for the bulk-power system.² The one-time informational reports the Commission requires, pursuant to FPA section 304,³ will enhance the Commission's understanding of whether and how transmission providers assess their vulnerabilities to extreme weather events and enhance the Commission's ability to fulfill its obligations to ensure system reliability and just and reasonable rates.⁴

According to a growing body of scientific evidence, extreme weather events are occurring more frequently and severely, and those events pose increased threats to system reliability and greater impacts on Commission-jurisdictional rates. Extreme weather events also come with significant humanitarian consequences. More than four and half million people in Texas alone lost power during Winter Storm Uri, and in some cases the outages contributed to a tragic loss of life. Winter Storm Uri also had a significant

¹ 16 U.S.C. 824d, 824e.

² 16 U.S.C. 824o.

³ 16 U.S.C. 825c.

⁴ As explained in the final rule, the term "transmission provider" means any public utility that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce. See 16 U.S.C. 824(e); 18 CFR 35.28. This term encompasses public utility transmission owners that are members of Regional Transmission Organizations (RTOs) and Independent System Operators (ISOs). Accordingly, the reports in the final rule herein would be filed by the public utility members of RTOs/ISOs, as well as by the RTOs/ISOs themselves and other public utility transmission providers outside of RTOs/ISOs. As we discuss below in Section 5, RTOs/ISOs and their member transmission owners may satisfy their reporting requirements through submission of joint reports.

FERC-1004 (OMB Control No. 1902-0323)
NOPR (Issued 6/16/2022) in Docket Nos. RM22-16-000 and AD21-13-000
Final Rule (Issued 6/15/2023)
RIN 1902-AF99

impact on energy prices, which rose to historic levels in the wholesale markets serving Texas and the South-Central region.

Additionally, in May 2021, the U.S. Government Accountability Office (GAO) issued a report stating that extreme weather driven by climate change is expected to become more frequent and intense and to have far-reaching effects on the electric grid. GAO identified potential impacts to the grid in every region of the United States that, absent measures to increase resilience, may increase outages and impose billions of dollars in additional costs to utility customers. GAO recommended that the Commission take steps to identify or assess climate change risks to the grid to ensure it is well-positioned to determine the actions needed to enhance resilience. Similarly, the final rule notes that the failure to assess and mitigate the risks of extreme weather could increase the frequency of loss of load events and negatively impact consumers, who ultimately bear the financial burden of regularly rebuilding damaged infrastructure or paying for solutions that may be more costly than solutions that could have been identified through a more proactive, forward-looking process.

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

The Commission will use the information submitted by transmission providers in their one-time report to help fulfill its statutory responsibilities under the FPA with respect to system reliability and just and reasonable rates. Such information will allow the Commission to understand whether and how transmission providers are assessing and mitigating extreme weather vulnerabilities to their jurisdictional transmission assets and operations, as such events threaten system reliability and affect Commission-jurisdictional rates for transmission and wholesale electricity.

For example, were the Commission to forgo collecting the information required in the one-time reports, the Commission may be unable to determine whether the costs incurred by transmission providers as they respond to increasingly frequent and severe extreme weather impacts to their jurisdictional transmission assets and operations are just and reasonable. The Commission would also fail to gain a baseline understanding of what transmission providers across the country are currently doing – or not doing – with respect to assessing and mitigating extreme weather vulnerabilities of their jurisdictional transmission assets and operations.

Further, the collection of these one-time reports will enable coordination among transmission providers and provide opportunities to share information on best practices. Numerous commentors in Docket No. AD21-13-000 requested that the Commission take a proactive role in disseminating best practices around extreme weather vulnerability assessments across the industry. Without the information from the one-time reports, transmission providers that undertake extreme weather vulnerability assessments or that plan to do so may not learn best practices for conducting extreme weather vulnerability assessments.

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

There is an ongoing effort to determine the potential and value of improved information technology to reduce the burden. Specifically, to increase the efficiency with which FERC carries out its program responsibilities, the Commission has been implementing measures to use information technology to reduce the amount of paperwork required in its proceedings. In Order No. 619,⁵ FERC established an electronic filing initiative to meet the goals of the Government Paperwork Elimination Act, which directed agencies to provide for optimal use and acceptance of electronic documents and signatures and electronic recordkeeping, where practical, by October 2003.

The Commission will collect FERC-1004 information in electronic reports responding to the questions set forth in the final rule. All documents may be filed via the Commission's eFiling system. The eFiling instructions are located on the Commission's website at <http://www.ferc.gov>.

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 determined that the record in Docket No. AD21-13-000 did not provide a clear, comprehensive understanding of whether and to what extent transmission providers are currently conducting, or planning to conduct, extreme weather vulnerability assessments, the method(s) used to conduct those assessments, and what is done with the information from those assessments. Commission staff carried out an extensive literature review of available extreme weather vulnerability assessments and determined

⁵ "Electronic Filing of Documents," Order No. 619, 65 FR 57088 (Sept. 21, 2000), 92 FERC ¶ 61,203 (2000).

that the available information and record in Docket AD21-13-000 are insufficient. The Commission lacks access to information about the extreme weather vulnerability assessment policies and processes of jurisdictional transmission providers; at best, it has access, through online research and filings with the Commission, to such information for a few transmission providers.

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

The final rule allows each transmission owner that is a member of an RTO/ISO to either file its one-time informational report individually or jointly with its RTO/ISO. That is, transmission owner members of an RTO/ISO and an RTO/ISO may satisfy their reporting requirement by filing a joint one-time informational report without needing to also file separate one-time informational reports. This may minimize the filing burden on certain small entities by allowing them to file a joint report with their RTO/ISO.

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

There is no need to reduce the frequency of information collection; the final rule requires only a single information collection. Commission staff's literature review and comments from interested stakeholders suggest that these assessments should be regularly recurring, but this final rule does not require further reporting.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION

There are no special circumstances related to this information collection.

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

The Commission issued the Notice of Proposed Rulemaking (NOPR) in this proceeding on June 16, 2022.⁶ The NOPR was published in the Federal Register on July 1, 2022 (87 FR 39,414) to provide the public with an opportunity to comment. The final rule was published in the Federal Register on June 27, 2023 (88 FR 41,477).

⁶ The NOPR and Final Rule are posted in FERC's [eLibrary](#). Additionally, the Commission issued a [News Release](#) and provided a [staff presentation](#) on the subject matter.

FERC-1004 (OMB Control No. 1902-0323)
NOPR (Issued 6/16/2022) in Docket Nos. RM22-16-000 and AD21-13-000
Final Rule (Issued 6/15/2023)
RIN 1902-AF99

Procedural History. On March 5, 2021, the Commission issued an initial Notice of Technical Conference stating that Commission staff would convene a technical conference to discuss issues surrounding the threat to electric system reliability posed by climate change and extreme weather events.⁷ On March 13, 2021, the Commission issued a Supplemental Notice inviting pre-conference comments.⁸ The Commission received approximately 1,200 pages of pre-technical conference comments.

During the technical conference, held on June 1 and 2, 2021, the Commission heard from climatologists, utility executives, RTOs/ISOs, market monitor executives, state regulators and energy officials, and energy policy and reliability experts. Panelists agreed that electric system planning processes need adjustment to adequately address the threat posed by increasingly frequent and severe extreme weather events. While individual utilities and states facing these threats can and do adjust their planning, operations, and restoration practices, there was widespread agreement that regular and ongoing information sharing and coordination will be critical. Panelists also recommended that such sharing not be limited to lessons learned, insofar as ongoing information sharing could also benefit entities developing climate models (e.g., the National Oceanic and Atmospheric Administration) that may not always know what information is relevant to electric system planners and their stakeholders. Finally, there was widespread agreement that the Commission should play a role in facilitating information sharing among industry stakeholders and government agencies.

Subsequently, a Notice Inviting Post-Technical Conference Comments was issued on August 11, 2021,⁹ which permitted commenters to address the questions raised in that notice, as well as any other issues raised during the technical conference or identified in the Supplemental Notices issued on May 21 and May 27, 2021. On July 12, 2022, the Commission issued an errata notice to correct a series of NOPR question paragraphs with numbering errors.¹⁰

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

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

⁷ March 5 Notice of Technical Conference, Docket No. AD21-13-000.

⁸ March 13 Supplemental Notice of Inviting Pre-Conference Comments, Docket No. AD21-13-000.

⁹ Notice Inviting Post-Technical Conference Comments, Docket No. AD21-13-000.

¹⁰ *One-Time Informational Reports on Extreme Weather Vulnerability Assessments*, Errata Notice, 180 FERC ¶ 61,020, at 1 (2022).

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

This final rule does not require that transmission providers submit the results of their extreme weather vulnerability assessments or include lists of affected assets and operations, specific vulnerabilities, or asset- or operation-specific mitigations in the informational reports required in this Final Rule. Rather, the one-time informational reports focus on describing the current or planned policies and processes that respondents have in place, or plan to implement, to assess and mitigate extreme weather risks. This focus of the one-time informational reports should avoid the need for respondents to file Critical Energy/Electric Infrastructure Information. However, to the extent transmission providers believe that information they will submit warrants protections, they may make a request for such treatment pursuant to §§ 388.112 and 388.113 of the Commission's regulations.¹¹

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 associated with the reporting requirements.

12. ESTIMATED BURDEN COLLECTION OF INFORMATION

The Commission estimates the annual burden¹² and cost¹³ for this information collection as:

¹¹ 18 CFR 388.112-113. Section 388.112 of the Commission's regulations specifies that any person submitting a document to the Commission may request privileged treatment for some or all of the information contained in a particular document that it claims is exempt from the mandatory public disclosure requirements of the Freedom of Information Act, and that should be withheld from public disclosure. *See* 5 U.S.C. 552. Section 388.113 of the Commission's regulations governs the procedures for submitting, designating, handling, sharing, and disseminating Critical Energy/Electric Infrastructure Information submitted to or generated by the Commission.

¹² Burden is defined as 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.

¹³ Commission staff estimates that respondents' hourly wages plus benefits are comparable to those of FERC employees. Therefore, the hourly cost used in this analysis is \$91.00 (or \$188,922 per year).

FERC-1004, as in this Final Rule in Docket Nos. RM22-16-000 and AD21-13				
A. Area of Modification	B. Annual Number of Respondents	C. Annual Estimated Number of Responses (1 per respondent)	D. Average Burden Hours & Cost per Response	E. Total Estimated Burden Hours & Total Estimated Cost (Column C x Column D)
Report on Extreme Weather Vulnerability Assessment (one-time)	128 (47 TPs ¹⁴ and 81 TOs)	128	Year 1: 94.5 hours; \$8,599.50 Subsequent Years: 0 hours per year; \$0	Year 1: 12,096 hours; \$1,100,736 Subsequent Years: 0 hours per year; \$0

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.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The estimate of the cost for analysis and processing of filings is based 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.

The Paperwork Reduction Act (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 the cost of publication in the Federal Register.

	Number of Employees (FTE)	Estimated Annual Federal Cost
--	----------------------------------	--------------------------------------

¹⁴ The number of entities listed from the NERC Compliance Registry reflects the omission of the Texas RE registered entities.

Analysis and Processing of Filings ¹⁵	7	\$1,322,454
PRA ¹⁶ Administrative Cost ¹⁷		\$7,694
FERC Total		1,330,148

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

This information collection is necessitated by the fact that the Commission has almost no baseline understanding of what transmission providers across the country are currently doing – or not doing – with respect to assessing and mitigating extreme weather vulnerability assessments.

Additionally, in May 2021, the GAO issued a report stating that extreme weather driven by climate change is expected to become more frequent and intense and to have far-reaching effects on the electric grid. GAO identified potential impacts to the grid in every region of the United States that, absent measures to increase resilience, may increase outages and impose billions of dollars in additional costs to utility customers. GAO recommended that the Commission take steps to identify or assess climate change risks to the grid in order to ensure it is well-positioned to determine the actions needed to enhance resilience.

The following table shows the total burden of the collection of information (figures rounded). The format, labels, and definitions of the table follow the ROCIS submission system’s “Information Collection Request Summary of Burden” for the metadata.

Since adopting the NOPR, Commission staff adjusted its burden estimates for the final rule to account for changes to the number of transmission providers impacted by the reporting requirement and new required questions added to the final rule that would necessitate additional transmission provider labor hours to complete. The FERC-1004 burden figures are for the one-time filings to be made in Year 1.

FERC-1004	Total Request for the Final Rule(rounded)	Previously for the NOPR	Change due to Adjustment in Estimate	Change Due to Agency Discretion
------------------	--	--------------------------------	---	--

¹⁵ FERC’s 2022 average wages plus benefits for one FTE (full-time equivalent) is \$188,922 per year.

¹⁶ Paperwork Reduction Act of 1995 (PRA).

¹⁷ Based upon FERC’s 2022 estimated average annual PRA Administrative Cost of \$7,694.

FERC-1004 (OMB Control No. 1902-0323)
 NOPR (Issued 6/16/2022) in Docket Nos. RM22-16-000 and AD21-13-000
 Final Rule (Issued 6/15/2023)
 RIN 1902-AF99

				(rounded)
Annual Number of Responses	128	132	0	128
Annual Time Burden (Hours)	12,096	13,068	0	12,096
Annual Cost Burden (\$)	Year 1: \$1,100,736 Subsequent Years: \$0	Year 1: \$1,136,916 Subsequent Years: \$0		0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no publication of the information currently planned.

17. DISPLAY OF EXPIRATION DATE

OMB expiration dates are posted at www.ferc.gov.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions for FERC-1004.