

Supporting Statement for  
**FERC-516E(Electric Rate Schedules and Tariff Filings) and  
as modified by the NOPR in Docket Nos. RM05-5-031**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review the revision of FERC-516E information collection, Electric Rate Schedule and Tariff Filings,<sup>1</sup> OMB Control Number 1902-0290 in connection with the Notice of Proposed Rule (NOPR) in Docket No. RM05-5-031.

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

In the NOPR, the Commission proposes to amend its regulations to incorporate by reference, with certain enumerated exceptions, the latest version (Version 004) of the Standards for Business Practices and Communication Protocols for Public Utilities adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB)<sup>2</sup> (WEQ Version 004 Standards) applicable to the wholesale electric industry. These amendments would affect FERC-516E and FERC-717. A separate supporting statement addresses the changes to FERC-717.

FERC-717 is involved in the Commission's compliance with the Federal Power Act Section 205<sup>3</sup>, which requires the Commission to ensure that the rates and charges for the wholesale sale of electric energy are just and reasonable. Section 205 also requires that the rules and regulations affecting or pertaining to the rates and charges for the wholesale sale of electric energy be just and reasonable.

On July 31, 2023, NAESB filed a notice that it had approved the WEQ Version 004 Standards to replace the currently incorporated version (Version 003.3) of those business practice standards (Informational Report).<sup>4</sup> The revisions made by NAESB in the WEQ Version 004 Standards are

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<sup>1</sup> This burden should be included in FERC-516 (OMB Control No. 1902-0096 (Electric Rate Schedules and Tariff Filings)). However, another unrelated item was pending OMB review under FERC-516 and only one item per OMB Control No. may be pending OMB review at a time. [That ICR # 202403-1902-007] Therefore, to ensure timely submittal to OMB of this package related to the NOPR in RM05-5-031, Commission staff is using FERC-516E (OMB Control No. 1902-0290), a temporary "placeholder" information collection number.

<sup>2</sup> NAESB is an American National Standards Institute-accredited, non-profit standards development organization formed for the purpose of developing voluntary standards and model business practices that promote more competitive and efficient natural gas and electric markets.

<sup>3</sup> 16 U.S.C. 824d(a).

<sup>4</sup> See Docket No. RM-05-031, NAESB WEQ Business Practice Standards Version 004 Report

designed to aid public utilities with the consistent and uniform implementation of requirements promulgated by the Commission as part of the *pro forma* Open Access Transmission Tariff.

The WEQ Version 004 Standards include newly created standards, as well as modifications to existing standards, developed through the NAESB standards development process. WEQ Version 004 Standards build upon WEQ Version 003.3 Standards and include standards developed in response to the directives from Order Nos. 676-I and 676-J business practice standards developed to support cybersecurity for the wholesale electric industry, modifications to complement the NERC Reliability Standards, the new NAESB REC Contract, and standards to identify definitions for common grid services to support distributed energy resource interactions in response to a request submitted by the Department of Energy (DOE), Lawrence Berkeley National Laboratory (Berkeley Lab), and Pacific Northwest National Laboratory (PNNL). Additionally WEQ Version 004 Standards include modifications applied to OASIS Business Practice Standards, the Coordinate Interchange Business Practice Standards, and the Abbreviations, Acronyms, and Defined Terms. Industry-wide business practice standards help the industry achieve increased levels of efficiency. The NAESB Informational Report identifies all of the changes made to the WEQ Version 004 Standards and summarizes the deliberations that led to the changes. It also identifies changes to the existing standards that were considered but not adopted due to a lack of consensus or other reasons.

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

**FERC-516E.** The NOPR proposes to require public utilities to modify their existing tariffs to reference the standards and state that transactions made under their respective tariffs would be performed in accordance with the WEQ Version 004 Standards. Tariffs provide the Commission and the public with information regarding a utility's rates and service conditions. Without tariffs, FERC and the public would not be able to properly evaluate rates.

In a previous Final Rule (Order No. 889), the Commission required public utilities to establish OASIS sites to provide transmission customers with equal and timely access to information about transmission and ancillary services provided in the tariffs. This requirement was established because the Commission has determined that transmission customers must have simultaneous access to the same information available to the Transmission Provider in order to achieve nondiscriminatory transmission services.

The Commission determined that standardization of business practices and communication processes benefits the electric industry by providing uniform methods for public utilities to conduct business with different transmission providers. Many participants in electric markets conduct business transactions involving a number of different transmission providers. Establishing a uniform set of procedures and communication protocols increases the efficiency of such transactions.

The public utilities subject to this NOPR will be required to make tariff filings (FERC-516E) referencing the WEQ Version 4 standards and stating that they will implement their tariff in accordance with the requirements of the WEQ Version 004 Standards. Public utilities currently collect and post information on various systems such as OASIS currently in use by the industry. The revisions in these revised NAESB standards may adjust some of the business practices around this information but do not substantially affect the amount or content of the information. Without these standards, the same transactions would occur. However, the details regarding each transaction would vary from utility to utility hindering standardization.

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

FERC has made no significant changes in information technology use for complying with the FERC-516E because these issues were already addressed by FERC in a rule implementing the Commission's eTariff system (fully implemented in 2010) for the electronic filing of tariffs.

**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**

Commission filings and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. No duplication of the information collection requirements has been found.

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

FERC estimates that these requirements apply to 24<sup>5</sup> small public utilities. FERC considers the impact of the rule to be very minimal. The Commission does consider waivers for small entities,

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<sup>5</sup> This figure constitutes 11% of the 216 affected entities

which serves as an option for small entities to reduce their burden. The Commission grants these waivers on a case-by-case basis.

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

The Commission promotes an open transmission system through its policies and regulations. The WEQ Version 004 Standards were developed and vetted through an industry consensus process. If the information collection components of the standards were conducted less frequently, then the standards would not fully achieve their purpose of promoting efficiency in the wholesale electric industry. Further, anything different from the standards under consideration here would not be in accordance with what the industry has already vetted and approved in an open consensus building process through NAESB.

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

There are no special circumstances.

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

Each FERC notice of proposed rulemaking 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 or suggestions concerning the proposed collection of data. The proposed rule to adopt the WEQ Version 004 Standards was published in the Federal Register on 5/6/2024 (89 FR 37147)

**9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS**

There are no payments or gifts to respondents for these collections.

**10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS**

Any data filed are public information and, therefore, not confidential. However, a company may request confidential treatment of some or all parts of the information requirement under the

FERC regulations at 18 CFR 388.112. 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**

The revisions for FERC-516E is expected to occur in Year 1 and on occasion thereafter after implementation of the requirements in the NOPR for RM05-5-31. The estimated burden and cost<sup>6</sup> follow.

<b>Docket Nos. RM05-5-031</b>					
	<b>No. of Respondents(1)</b>	<b>Annual No. of Responses Per Respondent(2)</b>	<b>Total No. 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>
FERC-516E	216	1	216	6 hrs. \$600	1,296 hrs. \$129,600
<b>TOTAL</b>				6 hrs. \$600	1,296 hrs. \$129,600

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

There are no non-labor costs currently associated with the FERC-516E.

All of the costs in the NOPR are associated with labor and are shown in the answers to Questions #12 and #15.

<sup>6</sup>The Commission staff estimates that industry is similarly situated in terms of hourly cost (for wages plus benefits). Based on the Commission’s Fiscal Year (FY) 2023 average cost of \$207,787/year (for wages plus benefits, for one full-time employee), \$100.00/hour is used.

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

The estimated annualized cost to the Federal Government for FERC-516E ,as related to the requirements in the Rule RM05-5-031 are reflected in the table below. Please note that the federal cost for FERC-516E is already accounted for in the FERC-516 information collection (OMB Control No. 1902-0096). In the chart below, no federal effort is cited for FERC-516E here to avoid duplicating federal effort between this temporary information collection number (FERC-516E) and FERC-516.

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 Rule.

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 orders, other changes to the collection, and associated publications in the Federal Register. This estimate is updated annually.

	<b>Number of Full-Time Equivalent Employees (FTEs)</b>	<b>Estimated Annual Federal Cost<sup>7</sup></b>
FERC-516E, Analysis and Processing of filings	-	-
PRA Administrative Cost (for FERC-516E)		\$8,396
<b>FERC Total</b>		<b>\$8,396</b>

For FERC-516E, the federal cost will be \$8,396, since the rest of the federal cost is associated with FERC-516.

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

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<sup>7</sup>The “Estimated Annual Federal Cost” The FERC 2024 average salary plus benefits for one FERC full-time equivalent (FTE) is \$207,787/year (or \$100/hour).

OMB Control Nos. 1902-0290 (FERC-516E); 1902-0173 (FERC-717)  
Docket Nos. RM05-5-031  
RIN: 1902-AF65

The burden for both the FERC-516E information collections will not change due to the NOPR.

The following tables show the estimated total burden and requested changes for the collections of information. The format, labels, and definitions of the table follow the ROCIS submission system's "Information Collection Request Summary of Burden" for the metadata. (Note that the new burden is a one-time burden.)

<b>FERC-516E</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	216	0	0	0
Annual Time Burden (Hr.)	1,296	0	0	0
Annual Cost Burden (\$)	0	0	0	0

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

FERC does not publish any data associated with these collections.

#### **17. DISPLAY OF EXPIRATION DATE**

The substance of the requirements is incorporated by reference into FERC's regulations at 18 CFR (making the standards mandatory). However the standards themselves are copyrighted by NAESB, so the OMB Control Numbers and expiration dates are not displayed in the standards. The clearance information and expiration dates are posted at <https://www.reginfo.gov/public/do/PRAMain>.

#### **18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

The data collected for the reporting requirements are not used for statistical purposes.