

**Supporting Statement for  
Extension of FERC-516H (Electric Rate Schedules and Tariff Filings)**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve extensions of FERC-516H OMB# 1902-0303.

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

Federal Power Act (FPA),<sup>1</sup> requires respondents that are subject to 18 CFR 35.28 to submit compliance filings. The regulation at 18 CFR 35.28, which pertains to non-discriminatory open access transmission tariffs (OATTs), applies to:

- Commission-jurisdictional public utilities that own, control, or operate facilities used for the transmission of electric energy in interstate commerce; and
- Non-jurisdictional utilities that seek voluntary compliance with jurisdictional transmission tariff reciprocity conditions.

Transmission providers use “ambient-adjusted ratings” (AARs) as the relevant transmission line ratings when performing any of several functions enumerated in Attachment M.

In addition, 18 CFR 35.28(c)(5) to require any public utility that owns transmission facilities that are not under the public utility’s control to, consistent with the *pro forma* OATT required by 18 CFR 35.28(c)(1), share with the public utility that controls such facilities (and its Market Monitoring Unit(s), if applicable):

- (i) Transmission line ratings for each period for which transmission line ratings are calculated for such facilities (with updated ratings shared each time ratings are calculated); and
- (ii) Written transmission line rating methodologies used to calculate the transmission line ratings for such facilities provided under subparagraph (i), above.

Section 35.28(g)(13) also requires each regional transmission organization (RTO) and independent system operator (ISO) to establish and maintain systems and procedures necessary to allow any public utility whose transmission facilities are under the independent control of the ISO or RTO to electronically update transmission line ratings for such facilities (for each period for which transmission line ratings are calculated) at

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<sup>1</sup> 16 U.S.C. 824e.

least hourly, with such data submitted by those public utility transmission owners directly into the ISO's or RTO's Energy Management System through Supervisory Control and Data Acquisition or related systems.

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

The content of the new *pro forma* OATT Attachment M (“Transmission Line Ratings”) is shown at Appendix B of the final rule. The Commission is requiring the addition of Attachment M to public utility transmission provider OATTs in order to improve the accuracy of transmission line ratings. Transmission line ratings directly affect Commission-jurisdictional wholesale rates because they represent the maximum transfer capability of transmission lines, and supply and demand fundamentals dictate that less transfer capability (i.e., less supply) will result in higher rates, all else being equal.

Inaccurate transmission line ratings can result in underutilization (or overutilization) of existing transmission facilities, thereby sending a signal that there is less (or more) transfer capability than is truly available. This signal impacts the wholesale rates charged for providing energy and other ancillary services. For example, if the system operator believes there is less transfer capability than is truly available, it may dispatch more expensive generators to serve load, when less expensive generators (which would have resulted in lower costs) could have been used to reliably serve the same load. Alternatively, inaccurate transmission line ratings can result in oversubscription of existing transmission facilities, thereby sending the opposite signal—that there is more transfer capability than is truly available—which may risk damage to equipment, may fail to accurately price congestion costs, and may fail to signal to the market that more generation and/or transmission investment may be needed in the long term. The Commission therefore finds that transmission line ratings directly affect wholesale rates and, concomitantly, that inaccurate transmission line ratings result in unjust and unreasonable wholesale rates.

In accordance with Attachment M, transmission providers must implement AARs on the transmission lines over which they provide transmission service. In addition, transmission providers must use uniquely determined Emergency Ratings for contingency analysis in the operations horizon and in post-contingency simulations of constraints. Such uniquely determined Emergency Ratings must also include separate AAR calculations for each Emergency Rating duration used.

To enhance transparency, transmission providers must maintain on the password-protected section of its Open Access Same-Time Information System (OASIS) page or on another password-protected website a database of Transmission Line Ratings and Transmission Line Rating methodologies. The database must include a full record of all

Transmission Line Ratings, both as used in real-time operations, and as used for all future periods for which Transmission Service is offered. The database must include records of which Transmission Line Ratings and Transmission Line Rating methodologies were in effect at times over at least the previous five years, including records of which temporary alternate Transmission Line Ratings or exceptions were in effect at which times during the previous five years. Each record in the database must indicate which transmission line the record applies to, and the date and time the record was entered into the database. The database must be maintained such that users can view, download, and query data in standard formats, using standard protocols.

The Transmission Provider must share, upon request by any Transmission Provider and in a timely manner, the following information:

- (1) Transmission Line Ratings for each period for which Transmission Line Ratings are calculated, with updated ratings shared each time Transmission Line Ratings are calculated, and
- (2) Written Transmission Line Rating methodologies used to calculate the Transmission Line Ratings in (1) above.

The Commission provides for the following exceptions to the transmission line rating obligations enumerated in Attachment M:

- If the Transmission Provider reasonably determines, consistent with Good Utility Practice, that the temporary use of a Transmission Line Rating different than would otherwise be required by this Attachment is necessary to ensure the safety and reliability of the Transmission System, then the Transmission Provider may use such an alternate rating. The Transmission Provider must document in its database of Transmission Line Ratings and Transmission Line Rating methodologies on OASIS or another password-protected website, as required by this Attachment, the use of an alternate Transmission Line Rating under this paragraph, including the nature of and basis for the alternate rating, the date and time that the alternate rating was initiated, and (if applicable) the date and time that the alternate rating was withdrawn and the standard rating became effective again.
- Where the Transmission Provider determines, consistent with Good Utility Practice, that the Transmission Line Rating of a transmission line is not affected by ambient air temperature or solar heating, the Transmission Provider may use a Transmission Line Rating for that transmission line that is not an AAR or Seasonal Line Rating. Examples of such a transmission line may include (but are not limited to): (1) a transmission line for which the technical transfer capability of the limiting conductors and/or limiting transmission equipment is not

dependent on ambient air temperature or solar heating; or (2) a transmission line whose transfer capability is limited by a Transmission System limit (such as a system voltage or stability limit) which is not dependent on ambient air temperature or solar heating. The Transmission Provider must document in its database of Transmission Line Ratings and Transmission Line Rating methodologies on OASIS or another password-protected website. Any exceptions to the requirements contained in this Attachment initiated under this paragraph, including the nature of and basis for each exception, the date(s) and time(s) that the exception was initiated, and (if applicable) the date(s) and time(s) that each exception was withdrawn, and the standard rating became effective again. If the technical basis for an exception under this paragraph changes, then the Transmission Provider must update the relevant Transmission Line Rating(s) in a timely manner. The Transmission Provider must reevaluate any exceptions taken under this paragraph at least every five years.

The information collection activities listed below, that will be added to FERC-516H, are all one-time burdens in Year 1. In addition, information collection activity # 7, on the list below, will be ongoing.

- 1) For point-to-point transmission service requests within ten days, use AARs in determining available transfer capability (ATC) and total transfer capability (TTC).
- 2) Where network transmission service is provided, use hourly AARs to determine curtailment or redispatch of network transmission service.
- 3) Transmission Providers to implement uniquely determined emergency ratings.
- 4) Implement software and systems to communicate the required transmission line ratings with relevant parties.
- 5) RTOs/ISOs implement software with the ability to accommodate AARs in both the day-ahead and real-time markets on an hourly basis.
- 6) RTOs/ISOs establish the systems and procedures necessary to allow transmission owners to update line ratings on an hourly basis directly into an energy management system (EMS).
- 7) Transmission owners update forecasts and ratings and share transmission line ratings and facility ratings methodologies with transmission providers and, if applicable, RTOs/ISOs and market monitors.
- 8) Compliance filings.

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

FERC implements its eTariff system for the electronic filing of tariffs. More information

on eTariff is posted at <https://www.ferc.gov/ferc-online/etariff>.

**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**

FERC rules and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of the Commission's regulations and data requirements to identify duplication. The information to be submitted, generated, retained, or posted, pursuant to the final rule is not available from other sources.

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

Under the Small Business Administration's classification,<sup>2</sup> the six RTOs/ISOs would be considered electric bulk power transmission and control, for which the small business size threshold is 500 or fewer employees. Because each RTO/ISO has more than 500 employees, none are considered small entities. The Commission estimated that 289 transmission owners and six planning authorities are also affected by this final rule and that approximately 68% of those entities are small entities affected by the final rule.

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

The Commission requires this information in order to perform its mandated oversight and review responsibilities with respect to electric market-based rates being just and reasonable. Without this information, the Commission would be unable to meet its statutory responsibility under Section 206 of the FPA to ensure that electric utility rates and tariffs are not unjust, unreasonable, or unduly discriminatory or preferential. Failing to meet this responsibility could result in public utilities charging rates that are not just and reasonable.

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

There are no special circumstances relating to this information collection.

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

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<sup>2</sup> 13 CFR 121.201 (2020) (Sector 22, Utilities).

The 60-day notice published on September 28, 2023 (88 FR 66834) with comments received. The 30-day was published on December 7, 2023 (88 FR 85284) and no comments are anticipated.

**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 Commission does not consider the information collected in FERC-516H filings to be confidential. However, an entity that chooses to seek confidential treatment of the information may submit a request for the Commission to treat this information as confidential and non-public, consistent with 18 CFR 388.112.

**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 that the final rule will affect the burden<sup>3</sup> and cost of FERC-516H as follows:

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<sup>3</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 information collection burden, refer to 5 CFR 1320.3.

| A.<br>Area of<br>Modification            | B.<br>Number of<br>Respondents | C.<br>Annual<br>Estimated<br>Number of<br>Responses<br>per<br>Respondent | D.<br>Annual<br>Estimated<br>Number of<br>Responses<br>(Column B<br>X Column<br>C) | E.<br>Average<br>Burden<br>Hours &<br>Cost <sup>4</sup> per<br>Response | F.<br>Total<br>Estimated<br>Burden Hours<br>& Total<br>Estimated<br>Cost<br>(Column D x<br>Column E) |
|--|--------------------------------|--|--|---|--|
| <b>FERC-516H (Control No. 1902-0303)</b> |                                |  |  |   |  |
| Transmission<br>owners <sup>5</sup>      | 289 (TOs)                      | 1  | 289  | 176 hrs.;<br>\$16,192   | 50,864 hrs.;<br>\$4,679,488  |

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

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

<sup>4</sup> The hourly cost (for salary plus benefits) uses the figures from the Bureau of Labor Statistics (BLS) for three positions involved in the reporting and recordkeeping requirements. These figures include salary (based on BLS data for May 2023, [http://bls.gov/oes/current/naics2\\_22.htm](http://bls.gov/oes/current/naics2_22.htm)) and benefits (based on BLS data issued March 19, 2022, <http://www.bls.gov/news.release/ecec.nr0.htm>) and are Manager (Code 11-0000 \$106.33/hour), Electrical Engineer (Code 17-2071 \$77.29/hour). The hourly cost for the reporting requirements (\$91.81 = \$92 rounded) is an average of the cost of a manager and engineer.

<sup>5</sup> Transmission owners update forecasts and ratings, and share transmission line ratings and facility ratings methodologies w/ transmission providers and, if applicable, RTOs/ISOs & market monitors

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

**Table 14**  
**Estimated Annual Federal Costs for FERC-516H**

|   | <b>Number of Employees<br/>(Full-Time Equivalents)</b> | <b>Estimated Annual<br/>Federal Cost</b> |
|---|--|--|
| Analysis and Processing of Filings <sup>6</sup> | 3.30   | \$659,561.10                             |
| PRA <sup>7</sup> Administrative Cost            |  | \$8,286.00                               |
| Total Federal Cost                              |  | \$667,847.10                             |

FERC 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 submitted in response to the information collection.

The “PRA Administrative Cost” is associated with preparing, issuing, and submitting materials necessary to comply with the Paperwork Reduction Act 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 publication of related notices in the Federal Register.

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

There are no changes to the reporting and recordkeeping requirements since the last approval.

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

There are no tabulating or statistical analysis or publication plans for the collection of information. The data are used for regulatory purposes only.

**17. DISPLAY OF EXPIRATION DATE**

The expiration date is displayed at <https://www.reginfo.gov/public/do/PRAMain>.

<sup>6</sup> Based upon FERC’s 2023 average annual salary plus benefits, i.e., \$199,867.

<sup>7</sup> “PRA” refers to the Paperwork Reduction Act of 1.



**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.