

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. IC16-11-000]

COMMISSION INFORMATION COLLECTION ACTIVITIES  
(FERC Form Nos. 1, 1-F, and 3-Q);  
COMMENT REQUEST

(September 26, 2016)

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Comment request.

**SUMMARY:** The Commission previously issued a 60-day Notice in the Federal Register (81 FR 38169, 6/13/2016) requesting public comments on FERC Form Nos. 6, 580, 1, 1-F, and 3-Q. The Commission received no comments regarding FERC Form Nos. 6 and 580 and issued a separate 30-day Notice on those collections (81 FR 62112, 9/8/2016).

The Commission did receive comments (responding to the 60-day Notice) regarding FERC Form Nos. 1, 1-F, and 3-Q. This Notice addresses those comments and solicits additional comments on FERC Form Nos. 1, 1-F, and 3-Q.

In compliance with the requirements of the Paperwork Reduction Act of 1995, 44 USC 3507(a)(1)(D), the Federal Energy Regulatory Commission (Commission or FERC) is submitting the FERC Form No. 1 (Annual Report of Major Electric Utilities, Licensees, and Others), FERC Form No. 1-F (Annual Report for Nonmajor Public Utilities and Licensees), and FERC Form No. 3-Q (Quarterly Financial Report of Electric Utilities, Licensees, and Natural Gas Companies) to the Office of Management and

Budget (OMB) for review of the information collection requirements. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below.

**DATES:** Comments on the FERC Form Nos. 1, 1-F, and 3-Q are due by [**Insert date that is 30 days after publication of this Notice in the Federal Register**].

**ADDRESSES:** Comments filed with OMB, identified by the OMB Control Nos. 1902-0021 (FERC Form No. 1), 1902-0029 (FERC Form No. 1-F), and 1902-0205 (FERC Form No. 3-Q) should be sent via email to the Office of Information and Regulatory Affairs: [oir\\_submission@omb.gov](mailto:oir_submission@omb.gov), Attention: Federal Energy Regulatory Commission Desk Officer.

A copy of the comments should also be sent to the Commission, in Docket No. IC16-11-000, by either of the following methods:

- eFiling at Commission's Web Site: <http://www.ferc.gov/docs-filing/efiling.asp>
- Mail/Hand Delivery/Courier: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426.

*Instructions:* All submissions must be formatted and filed in accordance with submission guidelines at: <http://www.ferc.gov/help/submission-guide.asp>. For user assistance, contact FERC Online Support by e-mail at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or by phone at: (866) 208-3676 (toll-free), or (202) 502-8659 for TTY.

*Docket:* Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at

<http://www.ferc.gov/docs-filing/docs-filing.asp>.

**FOR FURTHER INFORMATION:** Ellen Brown may be reached by e-mail at [DataClearance@FERC.gov](mailto:DataClearance@FERC.gov), by telephone at (202) 502-8663, and by fax at (202) 273-0873.

**SUPPLEMENTARY INFORMATION:**

**Type of Request:** Three-year extension of the information collection requirements for FERC Form Nos. 1, 1-F, and 3-Q, with no changes to the current reporting requirements. Please note that each collection is distinct from the next.

**Comments:** Comments are invited on: (1) whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimates of the burden and cost of the collections of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collections; and (4) ways to minimize the burden of the collections of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

**FERC Form No. 1, Annual Report of Major Electric Utilities, Licensees, and Others**

*OMB Control No.:* 1902-0021

*Abstract:* The FERC Form No. 1 (Form No.1) is a comprehensive financial and operating report submitted annually for electric rate regulation, market oversight analysis, and financial audits by Major electric utilities, licensees and others. Major pertains to utilities and licensees having in each of the three previous calendar years, sales or transmission services that exceed one of the following: (1) one million megawatt hours of total annual

sales; (2) 100 megawatt hours of annual sales for resale; (3) 500 megawatt hours of annual power exchanges delivered; or (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).<sup>1</sup>

The Form No.1 is designed to collect financial and operational information and is considered to be a non-confidential public use form. The Form No.1 includes a basic set of financial statements: Comparative Balance Sheet, Statement of Income, Statement of Retained Earnings, Statement of Cash Flows, Statements of Accumulated Comprehensive Income, Comprehensive Income, and Hedging Activities; and Notes to Financial Statements. Supporting schedules contain supplementary information and outlines of corporate structure and governance; information on formula rates; and description of important changes during the year. Other schedules provide information on revenues and the related quantities of electric sales and electricity transmitted; account balances for all electric operation and maintenance expenses; selected plant cost data; and other statistical information.

*Type of Respondent:* Major electric utilities

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<sup>1</sup> As detailed in 18 CFR § 101(Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provision of the Federal Power Act, General Instructions) and 18 CFR 141.1. Nonoperating entities formerly designated as Major and new entities that expect to be in the Major category should file as detailed in 18 CFR § 101.

*Comments:* In response to the 60-day Notice, the Commission received comments from The Bureau of Economic Analysis (BEA) collectively on Forms 1 and 1-F.<sup>2</sup> A summary of the comments and the Commission's responses follow.

- The Bureau of Economic Analysis (BEA) submitted comments on 7/28/2016 on Forms 1 and 1-F.<sup>3</sup>

BEA Comments: BEA uses data from Forms 1 and 1-F in estimating the national income and product account (NIPA) structures investment estimate. BEA states: "While BEA uses this information indirectly through the [U.S. Census Bureau's Construction Value Put-In Place] program, it is considered an indispensable data source to the NIPA estimates."<sup>4</sup> BEA would like to explore receiving data directly from the Commission with aggregated industry totals of particular line items from Forms 1 and 1-F. BEA also suggests that the Commission expand the Form 1 and 1-F collection to include additional information regarding details on capital expenditures.

FERC Response: BEA may access Form 1 and 1-F data directly: (1) using the Form 1 viewer and historical data that is accessible via the Commission's website at [www.ferc.gov/docs-filing/forms.asp](http://www.ferc.gov/docs-filing/forms.asp); or (2) by searching for individual filings in eLibrary at <http://www.ferc.gov/docs-filing/elibrary.asp>.

The Commission is not presently considering modifications to collect additional information on the Forms 1 and 1-F. Separately, the Commission is looking at modernizing data collection in Docket No. AD15-11, but that is an activity not addressed here.<sup>5</sup>

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<sup>2</sup> The submittals are posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14318233> and <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14318200>.

<sup>3</sup> Id.

<sup>4</sup> Id.

<sup>5</sup> When FERC makes changes to the forms, instructions, and/or reporting platform system, that information will be submitted to OMB, as appropriate, for review under the Paperwork Reduction Act (PRA). More information on the Forms Refresh project is posted at <http://www.ferc.gov/docs-filing/forms/eforms-refresh.asp>.

*Estimate of Annual Burden:* The estimated annual burden<sup>6</sup> and cost<sup>7</sup> follow:

<b>Form No. 1</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 Hours &amp; Cost Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)</b>
210	1	210	1,168 hrs.; \$91,874.88	245,280 hrs.; \$19,293,724.80	\$91,874.88

The instructions to the Form 1 will be updated to reflect the current burden estimate and email addresses for FERC and OMB.

### **FERC Form No. 1-F, Annual Report for Nonmajor Public Utilities and Licensees**

*OMB Control No.:* 1902-0029

*Abstract:* The FERC Form No. 1-F (Form No.1-F) is a financial and operating report submitted annually for electric rate regulation, market oversight analysis, and financial

<sup>6</sup> The one-time implementation burden (of 3 hours per respondent for the Forms 1 and 1-F) for the Final Rule in Docket No. RM11-24 (issued 7/18/2013) was administratively averaged over Years 1-3 giving an additional 1 hour annually for Years 1-3. Because the implementation period and that 3-year period (of averaging the implementation burden) have been completed, the additional 1 hour of burden is removed here and for the FERC Form 1-F, below. These changes were inadvertently omitted from the 60-day Notice in Docket No. IC16-11.

<sup>7</sup> The cost estimate (wages plus benefits) is \$78.66/hour and is used for the Form Nos. 1, 1-F, and 3-Q. The \$78.66/hour (wages plus benefits) is based on figures from the Bureau of Labor Statistics National Industry-Specific Occupational and Employment Wage Estimates (May 2015 estimates at [http://www.bls.gov/oes/current/naics2\\_22.htm](http://www.bls.gov/oes/current/naics2_22.htm), and benefits information for December 2015 at <http://www.bls.gov/news.release/ecec.nr0.htm>) and is an average of the following: (a) management (code 11-0000) of \$88.94/hour; (b) business and financial operations occupations (code 13-0000) of \$56.86/hour; (c) legal (code 23-0000) of \$128.94/hour; and (d) office and administrative support (code 43-0000) of \$39.91/hour.

audits by Nonmajor electric utilities and licensees. Nonmajor pertains to utilities and licensees having total annual sales of 10,000 megawatt-hours or more in the previous calendar year and not classified as Major.<sup>8</sup>

The Form No.1-F is designed to collect financial and operational information and is considered to be a non-confidential public use form. The Form No.1-F includes a basic set of financial statements: Comparative Balance Sheet, Statement of Retained Earnings, Statement of Cash Flows, Statement of Comprehensive Income and Hedging Activities, and Notes to Financial Statements. Supporting schedules contain supplementary information and include revenues and the related quantities of electric sales and electricity transmitted; account balances for all electric operation and maintenance expenses; selected plant cost data; and other statistical information.

*Type of Respondent:* Nonmajor electric utilities

*Comments:* In response to the 60-day Notice, the Commission received comments from the BEA on 7/28/2016. As indicated above, these comments were submitted collectively for both Forms 1 and 1-F; a summary of the comments and the Commission's responses are provided above under Form 1.

*Estimate of Annual Burden:* The estimated annual burden and cost follow. (The estimated hourly cost used for the Form No. 1-F is \$78.66 (wages plus benefits) and is described above, under the Form No. 1.):

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<sup>8</sup> As detailed in 18 CFR § 101 (Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provision of the Federal Power Act, General Instructions) and 18 CFR 141.2. Nonoperating entities formerly designated as Nonmajor and new entities that expect to be in the Nonmajor category should file as detailed in 18 CFR § 101.

<b>Form No. 1-F</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 Hours &amp; Cost Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)</b>
5	1	5	122 hrs.; \$9,596.52	610 hrs.; \$47,982.60	\$9,596.52

The instructions to the Form 1-F will be updated to reflect the current burden estimate and email addresses for FERC and OMB.

### **FERC Form No. 3-Q, Quarterly Financial Report of Electric Utilities, Licensees, and Natural Gas Companies**

*OMB Control No.:* 1902-0205

*Abstract:* The FERC Form No. 3-Q (Form No. 3-Q) is a quarterly financial and operating report for rate regulation, market oversight analysis, and financial audits which supplements the (a) Form Nos. 1 and 1-F for the electric industry, or the (b) Form No. 2 (Major Natural Gas Pipeline Annual Report; OMB Control No. 1902-0028) and Form No. 2-A (Nonmajor Natural Gas Pipeline Annual Report; OMB Control No. 1902-0030) (for the natural gas industry). The Form No. 3-Q is submitted for all Major and Nonmajor electric utilities and licensees; and natural gas companies<sup>9</sup>.

<sup>9</sup> 18 CFR § 260.1(b) states that for natural gas companies, Major, as defined by the Natural Gas Act, pertains to a company whose combined gas transported or stored for a fee exceed 50 million Dth in each of the three previous calendar years. 18 CFR § 260.2(b) states that for natural gas companies, Nonmajor as defined by the Natural Gas Act, pertains to a company not meeting the filing threshold for Major, but having total gas sales or volume transactions exceeding 200,000 Dth in each of the three previous

Form No. 3-Q includes a basic set of financial statements: Comparative Balance Sheet, Statement of Income and Statement of Retained Earnings, Statement of Cash Flows, Statement of Comprehensive Income and Hedging Activities and supporting schedules containing supplementary information. Electric respondents report revenues and the related quantities of electric sales and electricity transmitted; account balances for all electric operation and maintenance expenses; selected plant cost data; and other statistical information. Natural gas respondents include monthly and quarterly quantities of gas transported and associated revenues; storage, terminaling and processing services; natural gas customer accounts and details of service; and operational expenses, depreciation, depletion and amortization of gas plant.

*Type of Respondent:* Major and nonmajor electric utilities and natural gas pipelines.

*Comments:* In response to the 60-day Notice, the Commission received comments from two parties on Form 3-Q. A summary of the comments and the Commission's responses follow.

- BEA submitted comments on 7/28/2016 on Form 3-Q.<sup>10</sup>

BEA Comments: BEA relies heavily on data from Forms 3-Q to calculate components of both the industry and national economic accounts to estimate gross output, intermediate input, and value added to the U.S. economy from the utilities industry. Similar to BEA's comments on Forms 1 and 1-F, BEA is interested in the inclusion of additional information in Form 3-Q regarding details related to capital expenditures. BEA suggests expansions to the Form 3-Q such as adding "new versus replacement capital expenditures for certain line items"; including "annual payments for equipment, software, and structures leased under operating

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calendar years.

<sup>10</sup> The submittal is posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14318234>.

leases from others”; and improving “questions to help identify plants producing services in the current period (in service) versus plant not in service or off-line”.

FERC Response: The Commission is not presently considering modifications to collect additional information on the Form 3-Q but as noted above is looking at modernizing data collection, which is a separate activity not addressed here.

- EEI submitted comments on 8/12/2016 on the Form 3-Q.<sup>11</sup>

EEI Comments: In its comments, EEI proposes eliminating the Form 3-Q or reducing its frequency. EEI claims that the Form 3-Q has little to no value to the Commission’s objective to achieve vigilant oversight of reporting entities. EEI states that it is unclear exactly how and to what extent the Commission uses the quarterly data and that no EEI member has ever been contacted about a Form 3-Q filing. EEI poses that Form 3-Q does not lend itself to identification of emerging trends or the economic effects of significant transactions and events and that Form 3-Q has no bearing on formula rate determination. As such EEI recommends that the Commission eliminate Form 3-Q or alternately adopt a mid-year frequency.

Regarding the accuracy of the Commission’s burden and cost estimates, EEI comments that the Commission’s estimates are reasonable, but that EEI does not believe the burden and costs are warranted.

FERC Response: The Commission currently uses the Form 3-Q report to perform oversight analysis and make timely evaluations of current financial information submitted to the Commission. Additionally, Form 3-Q is used to validate the debt and equity information of filings under Part 34 of the Commission’s regulations when the most recent 12-month filing occurred more than 4 months prior to the application under Part 34. The Commission is not presently considering modifications to the collection or frequency of collection of the Form 3-Q, but may consider doing so in the future, at which time EEI will be able to submit comments on this issue.

*Estimate of Annual Burden:* The estimated annual burden and cost (as rounded) follow.

(The estimated hourly cost used for the Form No. 3-Q is \$78.66 (wages plus benefits) and is described above, under the Form No. 1.)

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<sup>11</sup> The submittal is posted at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14328920>.

<b>Form No. 3-Q</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 Hours &amp; Cost Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>	<b>Annual Cost per Respondent (\$) (5)÷(1)</b>
FERC 3-Q (electric)	213 <sup>12</sup>	3	639	168 hrs.; \$13,214.88	107,352 hrs.; \$8,444,308	\$39,644.64
FERC 3-Q (gas)	167	3	501	167 hrs.; \$13,136.22	83,667 hrs.; \$6,581,246	\$39,408.66
<i>Total for FERC 3-Q</i>			1,140		191,019 hrs.; \$15,025,554	

The instructions to the Form 3-Q will be updated to reflect the current burden estimate and email addresses for FERC and OMB.

Kimberly D. Bose,  
Secretary.

<sup>12</sup> The estimated number of electric filers of the Form No. 3-Q is 213 (rather than the 215 total for the number of filers of the Form Nos. 1 and 1-F) due to waivers granted by the Commission in Docket No. AC04-105.