

Supporting Statement for
FERC-920, Electric Quarterly Report (EQR)

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve the FERC-920 [Electric Quarterly Report (EQR)] information collection (OMB Control Number 1902-0255) for a three-year period. The FERC-920 is a current collection and its reporting requirements are contained in Title 18 Code of Federal Regulations (CFR) Part 35.

There are no changes being made to reporting requirements at this time. However, we are making (a) program decreases to reflect the completion of several one-time requirements, and (b) adjustments due to normal industry fluctuations.

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The Commission set forth the EQR filing requirements in Order No. 2001 (Docket No. RM01-8-000, issued April 25, 2002, at http://elibrary.ferc.gov/idmws/search/intermediate.asp?link_file=yes&doclist=2270047). Order No. 2001 required public utilities to electronically file EQRs summarizing transaction information for short-term and long-term cost-based sales and market-based rate sales and the contractual terms and conditions in their agreements for all jurisdictional services.¹ The Commission established the EQR reporting requirements to help ensure the collection of information needed to perform its regulatory functions over transmission and sales, while making data more useful to the public and allowing public utilities to better fulfill their responsibility under FPA section 205(c) to have rates on file in a convenient form and place. As noted in Order No. 2001, the EQR data is designed to “provide greater price transparency, promote competition, enhance confidence in the fairness of the markets, and provide a better means to detect and discourage discriminatory practices.”

¹ *Revised Public Utility Filing Requirements*, Order No. 2001, 67 FR 31043 (May 8, 2002), FERC Stats. & Regs. ¶ 31,127, *reh’g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh’g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334, *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003), *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004), *order revising filing requirements*, Order No. 2001-G, 72 FR 56735 (Oct. 4, 2007), 120 FERC ¶ 61,270, *order on reh’g and clarification*, Order No. 2001-H, 73 FR 1876 (Jan. 10, 2008), 121 FERC ¶ 61,289 (2007), *order revising filing requirements*, Order No. 2001-I, 73 FR 65526 (Nov. 4, 2008), 125 FERC ¶ 61,103 (2008).

FERC-920 (OMB Control No. 1902-0255)

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Since issuing Order No. 2001, the Commission has provided guidance and refined the reporting requirements, as necessary, to simplify the filing requirements and to reflect changes in the Commission's rules and regulations. The Commission also adopted an Electric Quarterly Report Data Dictionary, which provides in one document the definitions of certain terms and values used in filing EQR data.²

To increase transparency broadly across all wholesale markets subject to the Commission's jurisdiction, the Commission issued Order No. 768 in 2012.³ Order No. 768 required market participants that are excluded from the Commission's jurisdiction under the Federal Power Act section 205 (non-public utilities) and have more than a *de minimis* market presence to file EQRs with the Commission. In addition, Order No. 768 revised the EQR filing requirements to build upon the Commission's prior improvements to the reporting requirements and further enhance the goals of providing greater price transparency, promoting competition, instilling confidence in the fairness of the markets, and providing a better means to detect and discourage anti-competitive, discriminatory, and manipulative practices.

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

EQR information allows the Commission and the public to gain a more complete picture of interstate wholesale electric power and transmission markets by providing information concerning price formation and market concentration in these markets. Public access to power sales and transmission-related information in the EQR improves market participants' ability to assess supply and demand fundamentals and to price interstate wholesale electric market transactions. This, in turn, results in greater market confidence, lower transaction costs, and ultimately supports competitive markets. In addition, the data filed in the EQR strengthens the Commission's ability to exercise its oversight and enforcement responsibilities of wholesale electric and electric power transmission rates in accordance with the Federal Power Act. Without this information, the Commission would lack some of the data it needs to examine and approve or modify electric rates. It also strengthens the Commission's ability to identify potential exercises of market power or

² Order No. 2001-G, 120 FERC ¶ 61,270 (2007).

³ Order No. 768, 77 Fed. Reg. 61896 (Oct. 11, 2012), FERC Stats. & Regs. ¶ 31,336 (2012).

FERC-920 (OMB Control No. 1902-0255)

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manipulation and to better evaluate the competitiveness of interstate wholesale electric markets.

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

Order No. 2001 required “public utilities to electronically file Electric Quarterly Report...” Electronically filed EQRs improve the efficiency, convenience, and overall management of the filing process, facilitate public access to wholesale contract information, and reduce the industry’s burden and expense associated with reporting and reviewing electric transactions. In addition, in Order No. 770,⁴ the Commission adopted a web-based approach to filing EQRs that allows a public or non-public utility to file an EQR directly through the Commission’s website, either through a web interface or by submitting an Extensible Mark-Up Language-formatted file. By adopting Order No. 770’s improvements to the filing process, the Commission eliminated the need for EQR sellers and agents to download software from the Commission’s web site.

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’s filing 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 any duplication.

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

For non-public utilities, the Commission has exempted those entities under the de minimis market presence threshold of 4,000,000 MWh or less of annual wholesale sales (based on an average of the wholesale sales it made in the preceding three years). This de minimis threshold therefore excludes small non-public utilities. If the reporting

⁴ Revisions to Electric Quarterly Report Filing Process, Order No. 770, FERC Stats. & Regs. ¶ 31,338 (2012).

FERC-920 (OMB Control No. 1902-0255)

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requirements present an undue burden on small businesses, the affected entity may seek a waiver of the EQR reporting requirements from the Commission.

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

If the collection were conducted less frequently, the Commission would have difficulty performing its mandated oversight and review responsibilities.

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

In accordance with OMB requirements, the Commission published a 60-day notice⁵ in the Federal Register regarding this information collection on 7/8/2019. The Commission received no comments from the public regarding this information collection.

Additionally, the Commission published a 30-day notice in the Federal Register on 9/23/2019⁶. Within these public notices, the Commission noted that it would be requesting a three-year extension of the public reporting burden.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

The Commission does not make payments or provide gifts to respondents related to FERC-920.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The information contained in the FERC-920 is publically available. However, the Commission will consider specific requests for confidential treatment (e.g. Critical

⁵ 84 FR 32447

⁶ 84 FR 49724

FERC-920 (OMB Control No. 1902-0255)

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Energy/Electric Infrastructure Information [CEII] or non-public) to the extent permitted by law.⁷

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 that are considered private in FERC-920.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

FERC-920: Electric Quarterly Report (EQR)				
Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden Hrs. & Cost Per Response⁸ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)
2,595	4	10,380	18.1 hrs.; \$1,448	187,878 hrs.; \$15,030,240

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no costs which are not related to burden hours. Burden hour costs are explained in Questions 12 and 15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The Commission bases its cost estimate of the “Analysis and Processing of filings” 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 increase to 10 FTEs required to analyze and process the filings reflects technological advances that permit better tracking

⁷ 18 C.F.R. §§ 388.112 and 388.113. More information on the CEII definition, program and requirements is posted at <http://www.ferc.gov/legal/ceii-foia/ceii.asp>.

⁸ The cost is based on FERC’s 2019 average FTE (full-time equivalent) cost (wages plus benefits) of \$80.00/hour. The Commission staff believes the FERC FTE cost for wages plus benefits is representative of the corresponding cost for the industry respondents.

FERC-920 (OMB Control No. 1902-0255)

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of staff resources. In addition, this increase reflects the hiring of additional Commission staff to analyze and process FERC-920 data.

The Paperwork Reduction Act (PRA) Administrative Cost is the average annual FERC 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. It also includes the cost of publishing the necessary notices in the Federal Register.

The estimated annual federal cost related for FERC-920 follows:

	Number of Employees (FTE)	Estimated Annual Federal Cost
Analysis and Processing of filings ⁹	10	\$1,670,910
PRA ¹⁰ Administrative Cost ¹¹		\$4,832
FERC Total		\$1,675,742

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

No program changes are being made at this time to the reporting or record keeping requirements in the FERC-920, however we are making program decreases (due to completed filing requirements) and adjustments as discussed below.

Adjustments. However, due to market fluctuation, the number of responses has increased (from 7,344 to 10,380) and resulted in the burden increasing from 140,087 hours to 187,878 hours.

Program Decreases. Further, FERC-920 contains one-time implementation burden related to three unrelated FERC activities. Details on those activities follow:

⁹ Based upon FERC's 2019 average salary plus benefits of one FTE (full-time equivalent): \$167,091 per year.

¹⁰ Paperwork Reduction Act of 1995 (PRA)

¹¹ Based upon FERC's 2019 estimated average annual PRA Administrative Cost: \$4,832.

FERC-920 (OMB Control No. 1902-0255)

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- One-time implementation burden related to RM10-12-000 Final Rule¹² (1,836 responses and 77,540 hours annually);
- One-time implementation burden related to RM12-3-000 Final Rule¹³ (1,836 responses and 11,887 hours annually); and
- One-time implementation burden related to RM15-2-000 Final Rule¹⁴ (259 responses and 518 hours annually).

These three activities total to 3,931 responses and 89,945 hours annually. All of their requirements have been completed and should no longer be part of the FERC-920 information collection. All of these one-time requirements are being removed within this ICR.

The total requested burden for FERC-920 in this ICR reflects the removal of these one-time requirements (program decrease) and the increased burden due to market fluctuation (adjustment in estimate).

The following table shows program decreases and adjustments (such as normal industry fluctuations [companies merging, splitting, going into and leaving the business]) and reflects metadata used in ROCIS (and reginfo.gov).

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	10,380	11,275	3,036	-3,931
Annual Time Burden (Hr.)	187,878	230,032	47,791	-89,945
Annual Cost Burden (\$)	0	0	0	0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There is no publication of data associated with FERC-920 information.

17. DISPLAY OF EXPIRATION DATE

The expiration dates are available at <http://www.ferc.gov/docs-filing/info-collections.asp>.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

¹² Issued 9/21/2011.

¹³ Issued 11/15/2012.

¹⁴ Issued 11/20/2015.

FERC-920 (OMB Control No. 1902-0255)

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There are no exceptions.