

Supporting Statement  
**FERC-725N, Mandatory Reliability Standards: Transmission Planning (TPL)  
Reliability Standards,**  
as modified by the Delegated Order in Docket No. RD20-3-000

The reporting and recordkeeping requirements for Reliability Standard TPL-007-4 (Transmission System Planning Performance Requirements)<sup>1</sup> are being included in FERC-725N, as discussed in the Delegated Letter in Docket No. RD20-3-000. The Federal Energy Regulatory Commission (Commission or FERC) is requesting that the Office of Management and Budget (OMB) approve the reporting and recordkeeping requirements in FERC-725N for existing date March 31, 2023. The text of the reporting and recordkeeping requirements of Reliability Standard TPL-007-4 (excerpted from the NERC Petition) is included in ROCIS and reginfo.gov under Supplementary Documents.

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

On August 8, 2005, The Electricity Modernization Act of 2005, which is Title XII of the Energy Policy Act of 2005 (EPAAct 2005), was enacted into law.<sup>2</sup> EPAAct 2005 added a new section 215 to the Federal Power Act (FPA), which requires a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight.

Pursuant to section 215(d)(2) of the Federal Power Act (FPA),<sup>3</sup> the Commission proposes to approve Reliability Standard TPL-007-4 (Transmission System Planning Performance Requirements). Reliability Standard TPL-007-4 requires owners and operators of the Bulk-Power System (“BPS”) to conduct initial and on-going vulnerability assessments of the potential impact of defined geomagnetic disturbance (“GMD”) events on BPS equipment and the BPS as a whole.

The requirements include the following.

Each responsible entity, shall complete a benchmark GMD Vulnerability Assessment of the Near-Term Transmission Planning Horizon at least once every 60 calendar months. This benchmark GMD Vulnerability Assessment shall use a study or studies based on models identified in Requirement R2, document assumptions, and document summarized results of the steady state analysis. The

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<sup>1</sup> 16 U.S.C. 824o(d)(2).

<sup>2</sup> The Energy Policy Act of 2005, Pub. L. No 109-58, Title XII, Subtitle A, 119 Stat. 594, 941 (2005), codified at 16 U.S.C. 824o.

<sup>3</sup> 16 U.S.C. 824o(d)(2).

study or studies shall include the following conditions: System On-Peak Load for at least one year within the Near-Term Transmission Planning Horizon; and System Off-Peak Load for at least one year within the Near-Term Transmission Planning Horizon.

The North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO), submitted the proposed Reliability Standard TPL-007-4 for Commission approval to address: (1) reliability issues concerning the study of single points of failure of protection systems discussed in Order No. 754;<sup>4</sup> and (2) directives from Order No. 786<sup>5</sup> regarding planned maintenance outages and stability analysis for spare equipment strategy.

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

The purpose of proposed Reliability Standard TPL-007-4, which remains unchanged from prior versions of the standard, is to “[e]stablish requirements for Transmission system planned performance during geomagnetic disturbance (GMD) events.” The applicability of the proposed standard also remains unchanged from prior versions: the standard applies to registered: (1) Planning Coordinators and Transmission Planners whose planning areas have a Facility that includes a power transformer with a high side, wye-grounded winding with terminal voltage greater than 200 kV; and (2) Transmission Owners and Generator Owners that own a Facility that includes such equipment. The modifications in the proposed standard address the Commission’s directives in Order No. 8514 related to requirements for Corrective Action Plans. The proposed modifications would:

(i) require entities to develop Corrective Action Plans for vulnerabilities identified through supplemental GMD Vulnerability Assessments; and

(ii) require entities to seek approval from the ERO of any extensions of time for the completion of Corrective Action Plan items. The consequences of an entity not having a Corrective Action Plan could be that during a GMD event, geomagnetically-induced currents (GIC) on the BPS may cause transformer hot-spot heating or damage,

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<sup>4</sup>In Order No. 754, the Commission determined that there is “an issue concerning the study of the non-operation of non-redundant primary protection systems; e.g., the study of a single point of failure on protection systems.” *Interpretation of Transmission Planning Reliability Standard*, Order No. 754, 136 FERC ¶ 61,186, at P 19 (2011). The phrases “non-operation of a non-redundant component of a protection system” and “protection system single points of failure” are used interchangeably in this memorandum.

<sup>5</sup>*Transmission Planning Reliability Standards*, Order No. 786, 145 FERC ¶ 61,051 (2013).

loss of Reactive Power sources, increased Reactive Power demand, and Misoperation(s), the combination of which may result in voltage collapse and blackout.

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

The use of current or improved technology is not covered in Reliability Standards and is, therefore, left to the discretion of each reporting entity. Commission staff think that nearly all of the respondents are likely to make and keep related records in an electronic format. Each of the six Regional Entities has a well-established compliance portal for registered entities to electronically submit compliance information and reports. The compliance portals allow documents developed by the registered entities to be attached and uploaded to the Regional Entity's portal. Compliance data can also be submitted by filling out data forms on the portals. These portals are accessible through an internet browser password protected user interface.

The submittals are not made to FERC.

**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 information collection requirements are unique to the proposed Reliability Standard and to the FERC-725N information collection. The Commission does not know of any duplication in the requirements.

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

Small entities generally can reduce their burden by taking part in a joint registration organization or a coordinated functional registration. These options allow an entity the ability to share its compliance burden with other similar entities.

Detailed information regarding these options is available in NERC's Rules of Procedure at sections 507 and 508.<sup>6</sup>

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<sup>6</sup>Details of the current ERO Reliability Standard processes are available in Appendix 3A of the NERC Rules of Procedure on the NERC website at <https://www.nerc.com/AboutNERC/Pages/Rules-of-Procedure.aspx>.

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

If this standard and the associated information collection requirements did not exist or were performed less frequently, the reduction or elimination of transmission system planning would likely lead to lower system reliability and higher vulnerability and risk, such as transmission system outages and loss of load. During a GMD event, GIC on the BPS may cause transformer hot-spot heating or damage, loss of Reactive Power sources, increased Reactive Power demand, and Misoperation(s), the combination of which may result in voltage collapse and blackout. Conducting the vulnerability assessment and corrective action planning once every 5 years allows for system planners to reassess how changes in the system topology effect their system's GMD vulnerabilities.

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

There are no special circumstances related to the Reliability Standard TPL-007-4.

**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 notice<sup>7</sup> and a 30-day notice<sup>8</sup> to the public regarding this information collection on 4/16/2020 and 7/7/2020 respectively. Within the public notices, the Commission noted that it would be requesting a three-year extension of the public reporting burden. The Commission received no comments from the public regarding this information collection.

The ERO process to establish Reliability Standards is a collaborative process with the ERO, Regional Entities and other stakeholders developing and reviewing drafts, and providing comments, with NERC submitting the final standard to the Commission for review and approval on February 7, 2020. There were no comments filed in response to NERC's filing.

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

The Commission does not make payments or provide gifts for respondents related to this collection.

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

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<sup>7</sup> 85 FR 21222

<sup>8</sup> 85 FR 40637

According to the NERC Rule of Procedure 1502, “a Receiving Entity shall keep in confidence and not copy, disclose, or distribute any Confidential Information or any part thereof without the permission of the Submitting Entity, except as otherwise legally required.” This serves to protect confidential information submitted to NERC or Regional Entities.

Responding entities do not submit the information covered by the approved Reliability Standard to FERC. Rather, they maintain it internally or provide it to NERC or the Regional Entities. Since there are no submittals made to the Commission, FERC provides no specific provisions in order to protect confidentiality unless and until any such information is submitted to FERC as part of an enforcement action or other compliance review.

**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**

This collection does not include any questions of a sensitive nature.

**12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION**

The Commission estimates the burden<sup>9</sup> and cost<sup>10</sup> for the changes to this information collection, due to the Delegated Order in RD20-3-000, as follows:

<b>FERC-725N in Docket No. RD20-3-000</b>						
	<b>Annual Number<sup>1</sup> 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 Hrs. &amp; Cost (\$) Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Cost (\$) (rounded) (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)</b>

<sup>9</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.

<sup>10</sup>FERC 2019 average salary plus benefits for one FERC full-time equivalent (FTE) is \$167,091/year (or \$80.00/hour) .

GO <sup>11</sup>	969	1	969	40 hours; \$3,200	38,760 hours; \$3,100,800	\$3,200
PC <sup>12</sup>	71	1	71	40 hours; \$3,200	2,840 hours; \$227,200	\$3,200
DP <sup>13</sup>	318	1	318	40 hours & \$3,200	12,720 hours; \$1,017,600	\$3,200
TO <sup>14</sup>	321	1	321	40 hours & \$3,200	12,840 hours; \$1,027,200	\$3,200
<b>TOTAL</b>			<b>1,679</b>		<b>67,160 hours; \$5,372,800</b>	

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

There are no non-labor costs associated with the FERC-725N. All of the PRA-related costs due to this Final Rule in RD20-3-000 are associated with burden hours (labor) and described in Questions #12 and 15.

### 14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The Regional Entities and NERC do most of the data processing, monitoring and compliance work for Reliability Standards. Any related involvement by the Commission is covered under the FERC-725 collection (OMB Control No. 1902-0225) and is not part of this request or package.

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.

FERC-725N	Number of Employees (Full-Time Equivalents [FTEs])	Estimated Annual Federal Cost
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- 11 Generator Owner
- 12 Planning Coordinator
- 13 Distribution Provider
- 14 Transmission Owner

FERC-725N, Analysis and Processing of filings	0	0
PRA Administrative Cost <sup>15</sup>	0	\$4,832
FERC Total		\$4,832

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

In the Delegated Order RD20-3-000, the Commission approved Reliability Standard TPL-007-04. The Commission estimates an increase in burden to TPL-007-04 to be ongoing for this standard only. This increase will only affect Reliability Standard TPL-007-4 which requires owners and operators of the Bulk-Power System (BPS) to conduct initial and on-going vulnerability assessments of the potential impact of defined geomagnetic disturbance (GMD) events on BPS equipment and the BPS as a whole.

The following table shows the total burden of the collection 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.

FERC-725N	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
Annual Number of Responses	3,784	2,105	0	1,679
Annual Time Burden (Hr.)	113,244	46,084	0	67,160
Annual Cost Burden (\$)	0	0	0	0

### 16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no data publications related to this collection

### 17. DISPLAY OF EXPIRATION DATE

The expiration date is displayed in a table posted on ferc.gov at .  
<https://www.ferc.gov/docs-filing/info-collections.asp> .

### 18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

<sup>15</sup> Based upon FERC’s 2019 estimated average annual PRA Administrative Cost: \$4,832.

There are no exceptions