



BILLING CODE 6717-01-P
DEPARTMENT OF ENERGY
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. RD20-9-000]

COMMISSION INFORMATION COLLECTION ACTIVITIES (FERC-725R);
COMMENT REQUEST; REVISION

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of revision of information collection and request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act, the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on revisions of the information collection FERC-725R (Mandatory Reliability Standards for the Bulk-Power System: BAL Reliability Standards), and will be submitting the information collection to the Office of Management and Budget (OMB) for review.

DATES: Comments on the collection of information are due **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Comments should be submitted to the Commission, in Docket No. RD20-9-000, by one of the following methods:

- eFiling at Commission's Web Site: <http://www.ferc.gov/docs-filing/efiling.asp>;
- U.S. Postal Service Mail: Persons unable to file electronically may mail similar pleadings to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426; or

- Effective 7/1/2020, delivery of filings other than by eFiling or the U.S. Postal Service should be delivered to Health and Human Services, 12225 Wilkins Avenue, Rockville, Maryland 20852.

Instructions: All submissions must be formatted and filed in accordance with submission guidelines at <http://www.ferc.gov>. For user assistance, contact FERC Online Support by e-mail at ferconlinesupport@ferc.gov, or by phone at: (866) 208-3676 (toll-free).

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, and telephone at (202) 502-8663.

SUPPLEMENTARY INFORMATION:

Title: FERC-725R, Mandatory Reliability Standards for the Bulk-Power System: BAL Reliability Standards.

OMB Control No.: 1902-0268.

Type of Request: Revisions to FERC-725R information collection requirements, as discussed in Docket No. RD20-9-000.

Abstract: Reliability Standard BAL-003-2 (Frequency Response and Frequency Bias Setting) will enhance reliability and improve upon the currently effective version of the Standard by refining and clarifying the process and methods for calculating the amount of Frequency Response that must be provided in a given operating year to support the reliable operation of the Bulk Power System.

On August 8, 2005, Congress enacted into law the Electricity Modernization Act of 2005, which is Title XII, Subtitle A, of the Energy Policy Act of 2005 (EPAAct 2005).¹ EPAAct 2005 added a new section 215 to the Federal Power Act (FPA), which required a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, any Reliability Standard may be enforced by the ERO subject to Commission oversight, or the Commission may independently enforce Reliability Standards.²

On February 3, 2006, the Commission issued Order No. 672, implementing section 215 of the FPA.³ Pursuant to Order No. 672, the Commission certified one organization, North American Electric Reliability Corporation (NERC), as the ERO.⁴ The Reliability Standards developed by the ERO and approved by the Commission apply

¹ Energy Policy Act of 2005, Pub. L. No. 109-58, Title XII, Subtitle A, 119 Stat. 594, 941 (codified at 16 U.S.C. 824o).

² 16 U.S.C. 824o(e)(3).

³ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards*, Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh'g*, Order No. 672-A, FERC Stats. & Regs. ¶ 31,212 (2006).

⁴ *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh'g and compliance*, 117 FERC ¶ 61,126 (2006), *order on compliance*, 118 FERC ¶ 61,190, *order on reh'g*, 119 FERC ¶ 61,046 (2007), *aff'd sub nom. Alcoa Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

to users, owners and operators of the Bulk-Power System as set forth in each Reliability Standard.

On December 19, 2019, NERC submitted for approval proposed Reliability Standard BAL-003-2, as well as a proposed implementation plan, Violation Risk Factors, and Violation Severity Levels. The revisions in proposed Reliability Standard BAL-003-2 are concentrated in Attachment A of the revised Standard, “BAL-003-2 Frequency Response and Frequency Bias Setting Standard Supporting Document,” referenced in Requirements R1 and R2. Revisions are also proposed for FRS (Frequency Response Survey) Form 1, referenced in Requirement R4 and Attachment A of the revised Standard; and for the Procedure document, referenced in Attachment A of the revised Standard.

NERC’s filed petition was noticed on May 28, 2020, with interventions, comments and protests due on or before June 29, 2020. No interventions or comments were received. Reliability Standard BAL-003-2 was approved by FERC on 7/15/2020 in a Delegated Letter Order (DLO).⁵

Types of Respondents: Balancing authorities and a Frequency Response Sharing Group (FRSG).

⁵ The DLO is posted in eLibrary at <https://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=15585069>

*Estimate of Annual Burden.*⁶ The estimated burdens of Reliability Standard BAL-003-2 will be the same as the estimated burdens of the currently effective Reliability Standard. The estimated burden and cost estimates shown below are based on the collection of certain information to establish the Interconnection Frequency Response Obligation and the Frequency Bias Setting for each balancing authority.

Balancing authorities and the FRSG report their previous-year Frequency Response Measure and Frequency Bias Setting to NERC, and revised Frequency Bias Settings are based on data from events the balancing authorities and FRSG report on FRS Form 1, as revised by RD20-9-000. The information provided on the FRS Form 1 is based on events which qualify for analyses, and NERC states that it will identify between 20 to 35 events in each Interconnection for calculating the Frequency Response Measure and Frequency Bias Setting. FRS Form 1 will automatically calculate the balancing authority's frequency response measure (FRM) for the past 12 months as the median of the Single Event Frequency Response Data (SEFRD) values.⁷ Allotting 8 hours for balancing authorities and the FRSG to compile the information on candidate events,⁸ multiplied by 28 events per balancing authority per year yields 224 hours per year per

⁶ Burden is defined as 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. See 5 CFR 1320 for additional information on the definition of information collection burden.

⁷ NERC Petition, Exh. A1 at 11.

⁸ The information is automatically generated from computer data bases. However, time is allotted to compile, verify, and review the information.

balancing authority as the regulatory burden for compliance.⁹ Our estimates are based on the NERC Compliance Registry as of July 17, 2020, which indicates that there are 97 registered balancing authorities and 1 frequency response sharing group.¹⁰

In order to comply with Reliability Standard BAL-003-2, the balancing authority will be required to retain data or evidence to show compliance with Requirements R1, R2, R3 and R4 and Measures M1, M2, M3 and M4 for the current year plus the previous three calendar years unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation. The frequency response sharing group will be required to retain data or evidence to show compliance with Requirement R1 and Measure M1 for the current year plus the previous three calendar years, unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation.

Estimates for the additional average annual burden and cost¹¹ due to Docket No. RD20-9-000 follow. These estimates are the same as for the currently effective Standard.

⁹ Assuming an average of between 20 and 35 events per year.

¹⁰ NERC Compliance Registry (July 17, 2020), *available at* https://www.nerc.com/pa/comp/Registration%20and%20Certification%20DL/NERC_Compliance_Registry_Matrix_Excel.xlsx.

¹¹The hourly cost estimates are based on wage data from the Bureau of Labor Statistics for May 2019 (at https://www.bls.gov/oes/current/naics2_22.htm) and benefits data for Dec. 2019 (issued March 2020, at <https://www.bls.gov/news.release/ecec.nr0.htm>). The hourly costs (for wages and benefits) for reporting are: Electrical Engineer (Occupation code 17-2071), \$70.19. The hourly costs (for wages and benefits) for evidence retention are: Information and Record Clerk (Occupation code 43-4199), \$41.03.

FERC-725R, Modifications due to Docket No. RD20-9 [& Bal-003-2 (Frequency Response and Frequency Bias Setting)]					
Function	Number of Respondents (1)	Number of Annual Responses per Respondent (2)	Total No. of Annual Responses (1)x(2)=(3)	Average Burden Hours & Cost (\$) Per Response (4)	Total Annual Burden Hours & Total Annual Cost (\$) (3)x(4) =(5)
BA & FRSG Error! Bookmark not defined. Annual Reporting (ongoing) ¹²	98	28	2,744	8 hrs.; \$561.52	21,952 hrs.; \$1,540,810.88
Evidence Retention (ongoing) ¹³	98	1	98	2 hr.; \$82.06	196 hrs.; \$8,041.88
TOTAL					22,148 hrs; \$1,548,852.76

Comments: Comments are invited on: (1) whether the collection of information is 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 estimate of the burden and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and

¹² The average hourly cost (for wages plus benefits) is \$70.19 for an Electrical Engineer.

¹³ The average hourly cost (for wages plus benefits) is \$41.03 for an Information and Record Clerk.

clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

DATED: August 20, 2020.

Kimberly D. Bose,
Secretary.

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