



Ellen Brown<ellen.brown@ferc.gov>

Fwd: FW: FERC EQR final rule, Order No. 768, Docket No. RM10-12 - OMB Control No. 1902-0255, FERC-920

1 message

Ellen Brown <ellen.brown@ferc.gov>
To: "Whiteman, Chad" <Chad_S_Whiteman@omb.eop.gov>

Thu, Oct 25, 2012 at 9:02 AM

-part 2- The "PS" follows.

----- Forwarded message -----

From: **DataClearance** <DataClearance@ferc.gov>
Date: Wed, Oct 24, 2012 at 5:14 PM
Subject: FW: FERC EQR final rule, Order No. 768, Docket No. RM10-12 - OMB Control No. 1902-0255, FERC-920
To: Ellen Brown <Ellen.Brown@ferc.gov>, Richard Palmer <Richard.Palmer@ferc.gov>, Anthony May <Anthony.May@ferc.gov>

From: Bartholomot, Henri[SMTP:HBARTHOLOMOT@EEI.ORG]

Sent: Wednesday, October 24, 2012 5:13:52 PM

To: oira_submission@omb.eop.gov; DataClearance

Cc: Comer, Ed; Nancy Bagot; Jack Cashin; Kelly, Sue; Patterson, Delia;

Schneider, Jonathan; jtrotta@stinson.com;

Meyer, Richard (richard.meyer@nreca.coop); nsallen@brudergentile.com;

Barbara Bourque

Subject: RE: FERC EQR final rule, Order No. 768, Docket No. RM10-12 - OMB Control No. 1902-0255, FERC-920

Auto forwarded by a Rule

P.S. To clarify, the cost estimates in the yellow highlighted sentence below are per EQR filer, as noted in the EEI-EPSA filing.

From: Bartholomot, Henri

Sent: Wednesday, October 24, 2012 5:04 PM

To: 'oira_submission@omb.eop.gov'; 'DataClearance@ferc.gov'

Cc: Comer, Ed; 'Nancy Bagot'; 'Jack Cashin'; 'Kelly, Sue'; 'Patterson, Delia'; 'Schneider, Jonathan'; 'jtrotta@stinson.com'; 'Meyer, Richard (richard.meyer@nreca.coop)'; 'nsallen@brudergentile.com'; 'Barbara Bourque'

Subject: FERC EQR final rule, Order No. 768, Docket No. RM10-12 - OMB Control No. 1902-0255, FERC-920

October 24, 2012

To: Ms. Ellen Brown
Office of the Executive Director
Federal Energy Regulatory Commission
Washington, DC 20426
(via e-mail to: DataClearance@ferc.gov)

Mr. Chad Whiteman
Desk Officer for the Federal Energy Regulatory Commission
Office of Information and Regulatory Affairs
Office of Management and Budget
Washington, DC 20503
(via e-mail to: oir_submission@omb.eop.gov)

Re: FERC Electric Quarterly Reports ICR,
FERC-920, Docket No. RM10-12, Order No. 768,
77 Fed. Reg. 61895 (Oct. 11, 2012), pars. 176-184,
OMB Control No. 1902-0255

Dear Ms. Brown and Mr. Whiteman:

I am writing to provide you with information relevant to a current Paperwork Reduction Act (PRA) review of the Federal Energy Regulatory Commission's (FERC's or the Commission's) Electric Quarterly Report (EQR) form, FERC-920, OMB Control No. 1902-0255. On September 21, 2012, the Commission issued a final rule that adopts a number of changes to the EQR form. The final rule is Order No. 768 in Docket No. RM10-12, and it was published at 77 Fed. Reg. 61895 on October 11, 2012. At pars. 176-184 of Order 768, the Commission has discussed and invited comments under the PRA on the anticipated benefits and burdens associated with the changes being adopted in the order.

Order 768 requires all EQR filers to report a number of new data elements for each transaction reported in each quarterly report, thus imposing a significant new cumulative reporting burden on the electric utility industry. By the Commission's own estimate at par. 180 of Order 768, these requirements will affect more than 1000 entities that have reportable transactions, and those transactions probably number in the hundreds of thousands per quarter. Of greatest concern, these new data elements include four pieces of information drawn from every "e-Tag" that may be associated with each transaction (e-Tag ID information), as well as the trade date and rate type for each transaction. Order 768 also clarifies certain existing EQR data elements in ways that also may impose new reporting burdens, in particular as to customer company name and use of standardized energy and power units. At the same time, Order 768 does not respond to a recommendation by the Edison Electric Institute (EEI) in our June 28, 2011 comments on the proposed

rule that preceded the final rule. EEI had recommended that the Commission require Regional Transmission Organizations (RTOs) and Independent System Operators (ISOs) to file at FERC or otherwise to provide all EQR information for transactions involving sales to RTOs and ISOs (RTO/ISO sales), rather than requiring other market participants to obtain and to file this information individually. This suggestion was aimed at streamlining and reducing burden associated with the EQR form.

This past Monday, October 22, 2012, EEI and the Electric Power Supply Association (EPSA) submitted the attached Motion for Partial Stay and Request for Rehearing and Clarification of FERC Order No. 768 in Docket No. RM10-12. In this filing, EEI and EPSA have asked the Commission to reconsider and to withdraw the e-Tag ID provisions of Order 768. Meanwhile, we have asked the Commission to grant a stay of those provisions, pending a technical conference to discuss industry concerns with the provisions and, if after the conference the Commission remains inclined to retain the provisions, a limited-area, short-time study (e.g. for a single balancing authority area for a single quarter) to determine the actual information and benefits the new e-Tag ID data provisions will yield and the actual burden involved in providing the information. We also have expressed concerns about various other of the new or clarified reporting requirements of Order 768, and have asked for clarifications aimed at reducing those burdens. And we have reiterated the request for RTOs and ISOs to provide EQR data for RTO/ISO sales and to relieve other market participants from having to provide this information unless those other participants wish to do so.

Regarding the e-Tag ID information, as noted in the EEI-EPSA filing, we are very concerned that the Commission has substantially overestimated the benefits of the information and underestimated the burden of collecting it. Information currently reported in the EQRs is generally drawn from trade-capture systems that focus on basic elements of the transactions being reported. By contrast, those systems do not contain e-Tag information. E-Tags are used for scheduling some power flows – generally ones that cross multiple balancing authority areas. They are not unique to a particular transaction, and they often change over time as generation and transmission used to supply load changes. As a result, a given transaction may not have an e-Tag or it may have one or more e-Tags, and e-Tags may cover just parts or all of a transaction or multiple transactions.

Thus, as EEI and EPSA have argued in our October 22 motion and request for rehearing and clarification (see in particular section IV.A), the e-Tag ID information for transactions reported in the EQRs will be very convoluted and confusing. We believe that the new data will not provide the Commission and the public with the benefits Order 768 anticipates. On the other hand, providing the information will entail substantial burden. Up-front, EQR filers will face the difficult challenge of attempting to automate cross-references between trade-capture and scheduling systems. Furthermore, even if the filers are able to automate this function, and certainly if they are not able to do so, providing e-Tag ID information each quarter is likely to require ongoing manual data recovery, analysis, and entry. **The costs of the up-front work are estimated to be as high as a half million dollars or more just to provide the e-Tag information, on top of comparable additional costs to meet the other requirements of Order 768.** Thus, the burden estimates at par. 180 of Order 768 are far too low.

In addition to EEI and EPSA, a number of other industry groups also filed motions or requests for rehearing and/or clarification of Order 768 this past Monday. I am attaching three of those filings because they specifically reference the EEI-EPSA filing and echo our concerns about the e-Tag ID information as well as other issues we have raised. Those other filings are: (1) a Motion for Clarification by the American Public Power Association (APPA) and Large Public Power Council (LPPC); (2) a Motion for Partial Stay and Request for Rehearing by a group of EQR-Filing Utilities; and (3) a Request for Rehearing and Clarification by the National Rural Electric Cooperative Association (NRECA).

If you have any questions about this message, the attached filings, or the issues we are raising, please contact me or others whom I am cc'ing this message because they were involved in the preparation of the various filings. Thank you.

Sincerely,

Henri Bartholomot

Director, Regulatory Legal Issues

202-508-5622



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Ellen Brown
Federal Energy Regulatory Commission
OED/CIO/SE/ICM
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