

Human Resources Directorate, Washington Headquarters Services, Department of Defense, 1155 Defense Pentagon, Washington, DC 20301-1155.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Office of the Secretary of Defense/Joint Staff Freedom of Information Act Requester Service Center, Office of Freedom of Information, 1155 Defense Pentagon, Washington, DC 20301-1155.

Requests should include the name and number of this system of records notice the type of issue (e.g., administrative grievance) and the case subject or case number and be signed and dated.

**CONTESTING RECORD PROCEDURES:**

The Office of the Secretary of Defense rules for accessing records, for contesting contents and appealing initial agency determinations are published in Office of the Secretary of Defense Administrative Instruction 81, 32 CFR part 311, or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

The individual, management officials involved with the incident leading to or adjudication of grievance or unfair labor practice charges, Washington Headquarters Service Labor Management Employee Relations personnel, arbitrators office, the Federal Labor Relations Authority Headquarters and Regional Offices, and union officials.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

[FR Doc. 2011-27736 Filed 10-26-11; 8:45 am]

**BILLING CODE 5001-06-P**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

[Docket ID: DOD-2011-OS-0117]

**Privacy Act of 1974; System of Records**

**AGENCY:** Office of the Secretary, Department of Defense (DoD).

**ACTION:** Notice to delete a system of records.

**SUMMARY:** The Office of the Secretary of Defense is deleting a systems of record notice from its existing inventory of record systems subject to the Privacy Act of 1974, (5 U.S.C. 552a), as amended.

**DATES:** This proposed action will be effective without further notice on November 28, 2011 unless comments are received which result in a contrary determination.

**ADDRESSES:** You may submit comments, identified by docket number and title, by any of the following methods:

- *Federal Rulemaking Portal:* <http://www.regulations.gov>.

Follow the instructions for submitting comments.

- *Mail:* Federal Docket Management System Office, 4800 Mark Center Drive, East Tower, 2nd Floor, Suite 02G09, Alexandria, VA 22350-3100.

*Instructions:* All submissions received must include the agency name and docket number for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** Mrs. Cindy Allard, Privacy Act Officer, Office of Freedom of Information, Washington Headquarters Services, 1155 Defense Pentagon, Washington, DC 20301-1155, or by phone at (571) 372-0461.

**SUPPLEMENTARY INFORMATION:** The Office of the Secretary of Defense systems of records notices subject to the Privacy Act of 1974, (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT**.

The Office of the Secretary of Defense proposes to delete one system of records notice from its inventory of record systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended. The proposed deletion is not within the purview of subsection (r) of the Privacy Act of 1974, (5 U.S.C. 552a), as amended, which requires the submission of a new or altered system report.

Dated: October 21, 2011.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**DELETION:**

**DPR 29**

Language and Skills Participation Program (August 5, 2003, 68 FR 46167).

**REASON:**

Based on a recent review of DPR 29, Language and Skills Participation Program, it has been determined that

DPR 29 is duplicative of DHRA 07, National Language Service Corps Pilot Records (September 11, 2008, 73 FR 52839), and can therefore be deleted.

[FR Doc. 2011-27737 Filed 10-26-11; 8:45 am]

**BILLING CODE 5001-06-P**

**DEPARTMENT OF EDUCATION**

**Postsecondary Educational Institutions Invited To Participate in Experiments Under the Experimental Sites Initiative**

**AGENCY:** Office of Postsecondary Education, Department of Education.

**ACTION:** Notice.

*Overview Information:* Federal Student Financial Assistance Programs under Title IV of the Higher Education Act of 1965, as amended; notice inviting postsecondary educational institutions to participate in experiments under the Experimental Sites Initiative.

**SUMMARY:** The Secretary invites postsecondary educational institutions (institutions) that participate in the student assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended (the HEA), to apply to participate in one or more new experiments under the Experimental Sites Initiative (ESI), as authorized by section 487A(b) of the HEA. Under section 487A(b) the Secretary has the authority to grant waivers from specific Title IV, HEA statutory or regulatory requirements to allow institutions to test alternative methods for administering the Title IV, HEA programs.

**DATES:** Applications to participate in any experiment must be received by the Department no later than December 12, 2011 in order for an institution to receive priority to be considered for participation in an experiment. Letters of application received after December 12, 2011 may be considered for participation at a later time.

**ADDRESSES:** Letters of application must be submitted via electronic mail to the following email address:

[experimentalsites@ed.gov](mailto:experimentalsites@ed.gov). For formats and other required information, see "Instructions for Submitting Letters of Application" under **SUPPLEMENTARY INFORMATION**, below.

**FOR FURTHER INFORMATION CONTACT:** Warren Farr, U.S. Department of Education, Federal Student Aid, 830 First Street, NE., Washington, DC 20002. Telephone: (202) 377-4380 or by email at: [Warren.Farr@ed.gov](mailto:Warren.Farr@ed.gov).

If you use a telecommunications device for the deaf (TDD), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

**SUPPLEMENTARY INFORMATION:***Instructions for Submitting Letters of Application:*

Letters of application should take the form of a .PDF attachment to an email message sent to the email address provided in the **ADDRESSES** section of this notice. The subject line of the email should read "ESI—Request to Participate." The text of the email should identify the experiment, or experiments, the institution wishes to participate in by number and title used in the "The Experiments" paragraph under **SUPPLEMENTARY INFORMATION**, below (e.g., "Experiment 5—Direct Loan Program—Unequal disbursements").

The letter of application should be on institutional letterhead and be signed by an official of the institution. The letter must include the institution's official name and Department of Education Office of Postsecondary Education Identification (OPEID), as well as a mailing address, email address, FAX number, and telephone number of a contact person at the institution.

*Background:*

This notice is the second notice regarding the Experimental Sites Initiative (ESI). The first, published in the **Federal Register** on October 28, 2009 (74 FR 55542), solicited suggestions from institutions for new experiments under the ESI. The Department received suggestions for new experiments from institutions representing all sectors of the postsecondary education community. This notice invites institutions to request to participate in one or more of the experiments described in this notice.

Under the waiver authority granted the Secretary under section 487A(b) of the HEA, each experiment will be designed to test whether proposed changes to current requirements improve the administration of the Title IV programs. Substantiated improvements as a result of an experiment would provide a rationale for policymakers to consider changing the statutory or regulatory provision that was the focus of the experiment.

The Department is interested in gathering data under circumstances that will allow for a reliable evaluation of the experiments. Participating institutions will be expected to gather and report data needed by the Department for this purpose. To support recommendations for change, evidence must be provided that was obtained from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules. As for any

evaluation design, it is important that the control or comparison group be as similar as possible to the treatment group.

Depending upon the experiment, the control group could be a set of students who otherwise meet the eligibility requirements for the experiment but are randomly selected to have their aid administered under existing requirements. Comparison groups could include students from, for example, a different but similar educational program, a different but similar location or campus, an earlier award year, or a group that does not have the same need for the treatment (e.g., they are not Pell Grant eligible); but in all cases these groups should be made up of students as similar as possible to those in the treatment group.

The Secretary intends to support experiments where the Department can draw causal inferences about the effects of the alternative approach based on a rigorous evaluation design. Examples of the kinds of evaluation and research designs that allow conclusions to be drawn about the effects of an intervention (program, policy, or practice) can be found at ED's What Works Clearinghouse (<http://ies.ed.gov/ncee/wwc/>).

Institutions may apply to participate in one or more of the eight experiments included in this notice and described below. From the institutions that apply, the Secretary will select only a limited number to participate in each experiment. The selection of participating institutions will be guided by the purpose of the ESI, which is, as is provided for under section 487A(b), to evaluate alternatives to current requirements, and inform policymakers about the possibility of changes to those requirements. The ESI is not designed to provide broad regulatory relief or general exceptions to the statutory and regulatory requirements. Consequently, the Secretary will consider the extent to which eligible institutions are willing to conduct the experiment in a way that maximizes the Department's ability to make reliable evaluations of the experiments.

The Secretary intends to select a cross-section of Title IV eligible institutions, carefully considering the diversity of participating institutions by, among other characteristics, institutional type and control, geographic location, enrollment size, and Title IV participation levels.

Institutions selected to participate in the experiments must have a strong track record in the administration of the Title IV student assistance programs. When selecting institutions, the

Secretary will consider all information available about an institution including, but not limited to, evidence of programmatic compliance, cohort default rates, financial responsibility ratios, and, for for-profit institutions, "90/10" results.

Specifically, any institution with a last official cohort default rate of 25 percent or more (the statutory default rate threshold for possible loss of Title IV student loan eligibility) will not be eligible to participate in the ESI. Nor will any for-profit institution where 85 percent or more of its revenues come from Title IV aid (the historical percentage that applied to for-profit institutions), as computed under the requirements for the 90/10 rule. Due to the proximity of these rates to the thresholds that would place the institution in jeopardy of losing Title IV program eligibility, the Secretary believes that including institutions with high cohort default rates or high 90/10 ratios creates a risk to program integrity.

Finally, institutions with recent cohort default rates and, as appropriate, 90/10 ratios that show a trajectory toward the 25 percent default rate or the 85 percent Title IV revenue thresholds will also be ineligible to participate in the experiments.

In the event that a selected institution consists of more than one location (e.g., campus), the Secretary anticipates limiting experiments to a single location, unless the institution proposes to implement the experiment differently at other locations to test multiple alternatives to the statutory or regulatory requirement, or if the institution provides the Secretary with another compelling justification.

Through the ESI, the Department seeks to partner with institutions in experiments that will test the effectiveness of alternatives to selected statutory or regulatory requirements applicable to the Title IV, HEA programs. In general, effectiveness will be determined by the Department's analysis of empirical evidence submitted by participating institutions. A successful experiment would be one that results in improved services to students or reduces burden on students and institutions, or both, and supports the statutory or regulatory intent of the original requirement and maintains (or increases) the financial and programmatic integrity of the Title IV, HEA programs. Each of the experiments must provide documented results that can inform future policy decisions.

For each experiment, we expect to measure—to the greatest extent possible—the effect of the alternative approach on the students whose Title IV

aid was administered under the experiment. Evaluations will be designed to measure the likely outcome in the absence of the experiment. Thus, participating institutions will be required to report information for students in the experiment and information, as available, for otherwise similar students whose Title IV eligibility was administered under existing requirements. The specific reporting requirements will vary among the experiments and will be finalized in consultation with the institutions selected to participate in each experiment.

In addition to submitting evaluation data specified for each experiment, institutions that are selected for participation in an experiment will be required to submit a narrative description of their implementation of the experiment. The narrative should include any unforeseen challenges and unexpected benefits.

Institutions selected for participation in an experiment will have their Program Participation Agreement (PPA) with the Secretary amended to reflect the specific statutory or regulatory provisions that the Secretary has waived or modified. Revised PPAs will also document the agreement between the Secretary and the institution about how each experiment will be conducted and will specify the evaluation and reporting requirements for each experiment.

To assist institutions considering whether to submit a request to participate in an experiment, the Department provides, in the descriptions of each experiment below, its initial thoughts on the evaluation measures and corresponding data that will be collected from institutions participating in each experiment. Institutions that are selected to participate in an experiment will be required to submit data and other information specified by the Secretary as a condition of the institution's initial and continued participation in the experiment. The Secretary reserves the right to modify these initial evaluation measures and reporting requirements for any experiment to support a rigorous evaluation of the experiment.

#### *The Experiments:*

**Experiment 1—Federal Pell Grant Program—Eligibility of students with bachelor's degrees who enroll in vocational or career programs.**

**Experiment 2—Federal Pell Grant Program—Eligibility of students enrolled in certain short-term training programs.**

**Experiment 3—Direct Loan Program—Single disbursement of a one-term loan for study abroad students.**

**Experiment 4—Direct Loan Program—Early disbursement for study abroad students and for students enrolled in foreign institutions.**

**Experiment 5—Direct Loan Program—Unequal disbursements.**

**Experiment 6—Direct Loan Program—Limiting unsubsidized loan amounts.**

**Experiment 7—PLUS Loans for parents of students with intellectual disabilities.**

**Experiment 8—Student Eligibility—Eligibility of students with intellectual disabilities who are also enrolled in high school.**

#### *Details on the ESI Experiments:*

**Experiment 1—Federal Pell Grant Program—Eligibility of students with bachelor's degrees who enroll in vocational or career programs.**

**Background:** In general, section 401(c)(1) of the HEA provides that students who have earned a bachelor's degree are not eligible for a Federal Pell Grant. This restriction may prevent low-income students who have earned a bachelor's degree from benefiting from short-term vocational training when they are either unemployed or underemployed, notwithstanding their having earned a bachelor's degree. This experiment would test whether a limited exception to the provision that only students without a bachelor's degree can receive a Pell Grant would help address the unemployment or underemployment status of such persons.

**Description:** This experiment would provide a limited waiver of the statutory requirement that a student who has earned a bachelor's degree may not receive a Pell Grant. The experiment would allow at least some students with a bachelor's degree to receive not more than one full scheduled Pell Grant award, over no more than two award years, for enrollment in a vocational/career program of study of one year or less.

Eligibility would be restricted to students with a bachelor's degree who have demonstrated to the participating institution that they are unemployed or underemployed and who will be entering the vocational program for the first time.

The experiment will require that the program be one that provides training needed to meet local or regional workforce needs, as determined by the institution in consultation with employers or state or local workforce agencies.

As a condition of receiving a Pell Grant under this experiment, students

must agree to provide career and employment information to the institution for both the period prior to enrolling in the program and receiving Pell Grant funding and for up to two years following completion or withdrawal from the program. As an option, the institution may provide information it obtains from an alternative reliable source such as a state longitudinal data system.

The Department is particularly interested in applications from institutions that will include in this experiment students who are legal immigrants to the United States, who were trained as professionals abroad, and who are seeking credentials allowing them to fill skilled positions in the United States.

The objective of the experiment is to determine if providing Pell Grants to low-income students who have earned a bachelor's degree but who are unemployed or underemployed improves the students' employment status. The experiment should also minimize the use of student loan funds to finance vocational/career education for such students.

**Waivers:** Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 401(c)(1), which excludes students who have earned a bachelor's degree from receiving Pell Grant funding.
- 34 CFR 668.32(c)(2)(i)(A), which excludes baccalaureate or first professional degree holders from receiving a Pell Grant.
- 34 CFR 690.6(a), which limits eligibility for Pell Grants to students who have not earned their first bachelor's degree.

All other provisions of the Student Assistance General Provisions regulations and the Federal Pell Grant regulations will remain in effect, including 34 CFR 690.6(e), which provides that a student may not receive more than nine Pell Grant Scheduled Awards.

**Evaluation:** This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine if the students who received Pell Grant funding under the experiment completed the program and became employed in the field for which the training was provided. Evaluation measures will include employment and salary data for the students before they entered the program and after completing or withdrawing from the program. The

Department will also analyze whether these students completed their vocational training with a lower student loan debt than if they had not received a Pell Grant.

As noted earlier, to support a recommendation for a change to a legal requirement, data from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules must be evaluated. This could require that some students who otherwise meet the eligibility requirements for this experiment would have their aid administered under existing requirements.

The Department will collect and analyze data to evaluate completion rates, loan debt, and post-training employment.

**Reporting Requirements:** Institutions participating in this experiment will be required to report information on the students participating in the experiment and on at least the following: (1) Students enrolled in the program who do not have a bachelor's degree and (2) students with bachelor's degrees who were enrolled in the program during one or more years prior to the first year of the experiment.

The information that will be reported for each of the groups of students will likely include the number of students who began the program, the amount of grant and loan assistance received by the students, the number of students who withdrew from the program, the number of students who completed the program, grade point averages and other academic performance information for the students, the number of students who obtained employment in jobs related to the vocational training, and salary information before and after program completion or withdrawal.

**Experiment 2—Federal Pell Grant Program—Eligibility of students enrolled in certain short-term training programs.**

**Background:** In general, section 481(b)(A) of the HEA provides that only academic programs that are at least 15 weeks in duration and that provide 600 clock hours, 16 semester or trimester hours, or 24 quarter hours of academic credit are eligible programs for purposes of the Federal Pell Grant Program (unless the program requires at least an associate's degree for admission).

Representatives from some state institutions that offer short-term vocational programs have suggested that if the training is directly related to state or local workforce needs, allowing shorter term vocational training programs to be Pell Grant eligible would

enable unemployed and underemployed persons to obtain the short-term training required for employment by local or regional employers. While some institutions have developed innovative programs to embed a short-term program within a longer eligible degree or certificate program, such programs may not meet the needs of all potential students. This is especially true for students from low income backgrounds or those who have work or family responsibilities that prevent them from enrolling in longer term programs. In addition, it is hoped that, under this experiment, institutions that currently offer longer term programs may develop ways that shorten the student's time to completion—such as asynchronous learning, competency based instruction, or other innovative approaches. Such changes to the structure of training programs may allow the program to be shorter than 15 weeks and still maintain Pell Grant eligibility.

**Description:** This experiment would provide a waiver of the requirement that a Pell Grant eligible program must include at least 15 weeks of instructional time and at least 600 clock hours, 16 semester or trimester hours, or 24 quarter hours. It would allow Pell Grants to be received by at least some otherwise eligible students who are enrolled in a vocational program of at least eight weeks in length and that, at a minimum, includes at least 150 clock hours of instructional time, which is what some short-term vocational programs currently provide. The amount of the Pell Grant provided to a student under this experiment will be prorated for the shorter period of instructional time, pursuant to the Pell Grant regulations at 34 CFR 690.63(a)(3).

The experiment will require that the short-term vocational program at the community college or postsecondary vocational institution must provide training needed to meet local or regional workforce needs, as determined by the institution in consultation with employers or state or local workforce agencies. As part of that consultation, the institution must ensure that the content and instructional hours of the program are (1) sufficient to meet hiring requirements of multiple likely employers, and (2) sufficient to allow the students to apply for any licenses or other certifications that may be required to be employed in the field for which the training was offered.

As a condition of receiving Pell Grant funds under this experiment, students must agree to provide career and employment information to the institution for the period prior to enrolling in the program and for up to

two years following completion or withdrawal from the program. As an option, the institution may provide information it obtains from an alternative reliable source such as a state longitudinal data system.

The objective of this experiment is to determine if providing Pell Grant funding to support unemployed or underemployed persons enrolled in short-term vocational training programs offered by community colleges and postsecondary vocational institutions increases employment rates or wages of those persons.

**Waivers:** Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 481(b)(1)(A), which sets the minimum timeframes for a Pell Grant eligible program.
- 34 CFR 668.8(d)(1)(i) and (ii), which establish the timeframes for eligible programs.

All other provisions of the Student Assistance General Provisions regulations and the Federal Pell Grant regulations will remain in effect.

**Evaluation:** This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine whether providing Pell Grant funding for low-income students enrolled in short-term vocational programs results in expanded and improved job placement for those students. The evaluation will examine the employment status and, if possible, the earnings of students participating in the program and their program completion rates. It will also measure employment outcomes of students who were enrolled in vocational programs that include at least 15 weeks of instructional time and at least 600 clock hours.

As noted earlier, to support a recommendation for a change to a legal requirement, data from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules must be evaluated. The Department is interested in gathering data under circumstances that will allow for a reliable measurement of the impact of the experiment. Because it is important that the outcomes for the treatment group be compared to a group of students as similar to them as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

**Reporting Requirements:** Institutions participating in this experiment will be required to report information about the low-income students enrolled in the short-term programs who receive Pell Grants under this experiment and about non-Pell—eligible students enrolled in the same (or similar) vocational program(s), and of students, if any, who were enrolled in the program prior to the effective date of this experiment. The data institutions participating in this experiment must report will likely include: Enrollment counts; student employment and income data, including participation, if any, in government assistance programs; amounts of grant assistance received; program completion data; information on the placement of students in applicable jobs, including the number of different employers hiring graduates of the program over the two years following the students' completion of the program; and salary information of the students both before and after program completion or withdrawal.

**Experiment 3—Direct Loan Program—**Single disbursement of a one—term loan for study abroad students.

**Background:** Section 428G(a) of the HEA provides that with two exceptions, Direct Loan Program loans must be disbursed at least twice during the loan period and those disbursements must be substantially equal. One of the exceptions allows for a single disbursement for an institution's study abroad students if the institution's most recent official Direct Loan/FFEL Program cohort default rate is less than five percent. This exception allows students participating in a study abroad program sponsored by a domestic institution to have money to help offset their initial financial commitments, such as transportation expenses, housing costs, visa fees, fees for immunizations, etc. Additionally, many countries require, as the United States requires, that students planning to attend postsecondary institutions provide documentation of sufficient financial resources to cover their expenses while in the country.

With the nationwide increase in default rates, many institutions (mostly public and non-profit four-year institutions) fall just short of the five percent cohort default rate threshold that would allow for a single disbursement of a one-term Direct Loan to their study abroad students. With the upcoming transition to three-year cohort default rate calculations, it is expected that even fewer institutions will meet the less-than-five-percent threshold.

**Description:** This experiment would provide a partial waiver to the

requirement that Direct Loan Program loans be disbursed in at least two substantially equal disbursements during a loan period. It would allow a single disbursement of a one-term loan for some study abroad students attending a participating institution even if the institution's cohort default rate equals or exceeds five percent.

The objective of this experiment is to determine if providing needed early loan funding for students studying outside of the United States increases participation in foreign educational experiences for students without increasing the risk that the students will not complete the loan period for which the funds were provided.

**Waivers:** Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 428G(a), which generally requires multiple disbursements of student loans.
  - 34 CFR 685.301(b)(3)(ii), which requires at least two disbursements of Direct Loan Program loan proceeds.
- Instead, participating institutions will be permitted to make one disbursement of a Direct Loan Program loan for study abroad students if the loan period is one academic term. All other provisions of the Student Assistance General Provisions regulations and the Direct Loan Program regulations will remain in effect.

**Evaluation:** The Department will evaluate this experiment by using information provided by the institution, and any other information available to the Secretary, to determine whether the experiment allowed more students, especially low-income students, to participate in study abroad programs. It will also evaluate whether students assisted by the experiment completed the loan period for which they received Direct Loan funding in a single disbursement.

As noted earlier, to support a recommendation for a change to a legal requirement, data must be provided from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules. Because it is important that outcomes for the treatment group be compared to a group of students as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

**Reporting Requirements:** Institutions participating in this experiment will be

required to provide information on study abroad students who received their loan proceeds in one disbursement under this experiment as well as for study abroad students who received their loan funds for an earlier payment period when at least two disbursements were made. The information to be collected for these groups will likely include the number of students in each group, the amount of grant and loan assistance received, and the number of students enrolled at the end of the loan period.

**Experiment 4—Direct Loan Program—**Early disbursement for students participating in approved study abroad programs and students enrolled in foreign institutions.

**Background:** Under the FFEL Program regulations at 34 CFR 682.207(b)(1)(v), a student who was participating in an approved study abroad program or who was attending an eligible foreign institution could, upon request of the institution and the approval of the FFEL Program guaranty agency, have FFEL Program loan proceeds disbursed as early as 30 days prior to the first day of classes of the academic term (*i.e.* payment period). This is an exception to the Title IV Student Assistance General Provisions regulations that generally provide that no Title IV student assistance funds can be disbursed to a student earlier than ten days prior to the first day of classes of the academic term.

This FFEL Program exception was provided because of the unique financial needs of students who study outside of the United States. Such students typically need their student aid funds early to meet obligations for travel to the site of their upcoming studies, to get established in the foreign country (housing, etc.), and in some instances to meet the foreign country's visa requirements.

Because prior to July 1, 2010, the only Title IV student assistance a student attending an eligible foreign institution could receive was FFEL Program funds, there was no need to provide a similar exception for the Direct Loan Program. However, with the enactment of the SAFRA within the Health Care and Education Reconciliation Act, students attending foreign institutions (as well as those participating in approved study abroad programs sponsored by U.S. host institutions), must get their Title IV loans through the Direct Loan Program which currently has no provision for early disbursement.

**Description:** This experiment would permit participating domestic institutions to disburse Direct Loan funds for some students enrolled in approved study abroad programs as

early as 30 days prior to the first day of classes of the student's enrollment for the loan period. Similarly, participating foreign institutions would be able to disburse Direct Loan funds as early as 30 days prior to the first day of classes of the student's enrollment for the loan period.

As a condition of receiving an early disbursement of a Direct Loan under this experiment, students must sign an agreement with the institution allowing for the release of the student's academic records and agreeing to participate in a study to determine the impact of the early disbursement on their foreign study.

The objective of this experiment is to determine if providing early disbursement of Direct Loan proceeds to students whose academic program includes studying in a foreign country increases the number of students who participate in such programs. It will also determine if participating students are academically successful in their programs because of the financial relief the early disbursement provides.

*Waivers:* Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 428G, which provides the earliest date that loan funds may be disbursed.

- 34 CFR 668.164(f), which provides that disbursements of Direct Loan proceeds cannot occur any earlier than ten days prior to the first day of classes for the payment period.

All other provisions of the Student Assistance General Provisions regulations and the Direct Loan Program regulations will remain in effect.

*Evaluation:* This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine if a broader range of students are able to participate in foreign study and be successful. Information collected from students will attempt to determine the effects of the early disbursement. Finally, this experiment will carefully monitor academic withdrawal rates as well as loan delinquencies and defaults for participating students to determine if there are any abnormalities that might be attributed to the early disbursement of loan proceeds.

As noted earlier, to support a recommendation for a change to a legal requirement, data must be provided from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid

under existing rules. Because it is important that outcomes for the treatment group be compared to a group of students as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

*Reporting Requirements:* Institutions participating in this experiment will be required to report information on the students participating in the experiment and also on other students (including students from prior years) who were enrolled in study abroad programs or at foreign institutions, as appropriate. The data to be collected and analyzed for each group of students will likely include the number of students, confirmation of the students' actual attendance at the foreign institution, and the students' progress toward completion of the foreign study program. Additionally, data will be collected from the students participating in the experiment regarding the impact of the early disbursement on their foreign study experience. And, for students who were not participating in the experiment, data will be collected on the impact on their foreign study experience of not receiving their loan proceeds until, at the earliest, ten days before the first day of classes for the academic term.

*Experiment 5—Direct Loan Program—Unequal disbursements.*

*Background:* Section 428G(a)(1) of the HEA provides that a student's Direct Loan must be disbursed in two or more substantially equal amounts. The dates of the disbursements usually coincide with the educational program's academic terms (*i.e.*, payment periods) that make up the loan period. This provision generally works well since the costs for most educational programs are usually reasonably spread out over all of the payment periods that comprise the loan period. However, some educational programs have up-front costs associated with the first payment period of the loan period that are substantially higher than costs for later payment periods. Such up-front costs could include costs of required books and supplies that will be used throughout the loan period, payment required to meet certain insurance or medical requirements, and initial housing costs for students whose housing changes as a result of enrolling in the educational program.

Financial aid administrators have suggested that for some students in certain academic programs, receiving only half of their student loan proceeds at the beginning of the loan period does not allow the student to meet required

up-front educational expenses. This can affect whether the students (particularly low-income students) are able to enroll in the program and, once enrolled, be academically successful.

*Description:* This experiment would waive the requirement that Direct Loans be disbursed in at least two substantially equal disbursements and would allow, under certain conditions, unequal disbursements of Direct Loan proceeds. Institutions participating in this experiment will be required to establish formal policies for determining the conditions under which it would allow a student to receive unequal disbursements of loan funds.

Under this experiment, no student may receive a single disbursement of more than 75 percent of the total loan amount for the loan period, and the same percentage must be applied to all of the student's loans for the loan period (subsidized, unsubsidized, and PLUS loans). This provision is to ensure that there are funds available for later in the loan period. Any funds released in excess of the existing rules cannot be applied to the student's institutional tuition and fee charges, except for any charges directly related to the student obtaining required books and supplies or housing provided by the institution.

Institutions must provide guidance to their Direct Loan borrowers concerning the types of expenses that may qualify them for consideration of unequal loan disbursements and what the acceptable documentation is for each type of expense.

The objective of this experiment is to determine if providing more up-front loan proceeds when the educational expenses are higher at the beginning of the loan period increases the enrollment and program completion of low-income students.

This experiment only applies to Direct Loan proceeds and does not allow for unequal disbursements of Pell Grant funds.

*Waivers:* Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 428G(a)(1), which requires that no Direct Loan disbursement be for more than one-half of the total loan for the loan period.

- 34 CFR 685.301(b)(5), which provides that no installment of a Direct Loan exceed one-half of the loan for the loan period.

All other Direct Loan disbursement requirements will remain in effect.

*Evaluation:* This experiment will be evaluated by using information provided by the institution, and any

other information available to the Secretary, to determine whether allowing unequal disbursement of Direct Loans increases student enrollment, increases academic performance, and leads to the students' completion of the loan period and academic program.

As noted earlier, to support a recommendation for a change to a legal requirement, data must be provided from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules. Because it is important that outcomes for the treatment group be compared to a group of students as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

**Reporting Requirements:** Institutions participating in this experiment will be required to report information on the students participating in the experiment and also on students enrolled in the same academic program who received substantially equal disbursements and on students who received equal disbursements for loan periods prior to the experiment. The measures for these groups will likely include the number of students enrolled at the beginning of the loan period, demographic information of the students, the amount of grant and loan assistance awarded to each student, and completion and other academic measures for the students. Institutions must, upon request of the Secretary, submit a description of their policy for determining a student's eligibility for unequal Direct Loan disbursements.

**Experiment 6—Direct Loan Program—Limiting unsubsidized loan amounts.**

**Background:** Section 479A(c) of the HEA provides that institutions may only reduce the amount of a student's Direct Loan eligibility on a case-by-case, documented basis. They may not reduce eligibility on any across-the-board programmatic or other categorical basis. Some in the school community believe that this prohibition results in excessive borrowing by some students, especially by students attending low-cost institutions or those who live with their parents (or other family members), or otherwise do not have significant housing expenses. The schools also suggest that providing the statutorily established loan amounts (especially after recent statutory increases) to all students provides incentives for persons to enroll in low cost institutions only to receive a cash disbursement of Federal

grant and loan funds in excess of direct institutional charges.

Institutions also argue that the requirement that they provide the full loan amount to all students negatively affects the institution's cohort default rates, thereby placing in jeopardy not only the availability of the Direct Loan Program but also the Pell Grant Program for all of the institution's students. Consequently, some low-cost institutions, mostly community colleges, have chosen not to participate in the loan programs at all, thus depriving otherwise eligible students of access to low-cost Federal student loan assistance.

Some for-profit institutions argue that because of the requirement that no more than 90 percent of their revenues can come from Title IV student aid—the 90/10 rule—they must ensure that their tuition always exceeds their students' Title IV eligibility. Thus, they cannot reduce tuition and, as Title IV aid amounts increase (e.g., increases in the maximum annual loan amounts), they often must raise tuition.

**Description:** This experiment would allow an institution to establish a written policy where it would, for students enrolled in a particular educational program or on some other categorical basis (e.g., students living at home or first-time freshman), reduce by at least \$2,000 (the amount of the most recent statutory increase) the amount of an unsubsidized Direct Loan that the otherwise eligible student would receive, or eliminate the unsubsidized Direct Loan completely.

The institution must continue to ensure that each eligible student receives the full amount of any subsidized Direct Loan the student has requested, up to the statutory maximums for subsidized loans.

Although this experiment will allow reductions in Direct Loan amounts on other than a case-by-case basis, it would not allow institutions to discriminate against any borrower or applicant on the basis of race, national origin, religion, sex, marital status, age, or disability status.

The Department anticipates that experiments in this area would address at least one of three issues and requests that institutions wishing to be considered for this experiment clearly state which of the three following issues they wish to test.

(1) **Over-borrowing.** The one-size-fits-all nature of annual loan limits may give some students access to more in Federal loans than they need to complete their educational program. Some students may borrow more than is justified by the economic prospects for completers of

their educational program (i.e., major course of study or vocational area of concentration). Despite recent increases in loan limits, there is little empirical evidence of the effect additional loan amounts have on student access and completion. Experiments designed to address over-borrowing would reduce students' annual unsubsidized loan limits by at least \$2,000, restoring those limits to no higher than their 2007–2008 level.

For-profit colleges interested in reducing their students' over-borrowing are encouraged to apply to participate in this experiment under both this issue and under issue 3, Unintended consequences at for-profit colleges.

(2) **Lack of loan availability.** Paradoxically, the same limits that may lead some students to borrow too much may prevent others from borrowing at all. Some institutions, particularly community colleges, have chosen not to participate in the Federal student loan programs, in part because they are concerned that high cohort default rates could jeopardize the Pell Grant eligibility of their students. As a result, some students attending those institutions must work longer hours or must use private student loans and credit cards to help finance their education. Institutions that wish to be considered for this experiment because they had previously chosen not to participate in the loan programs, would, as a condition of the experiment, become participating Direct Loan institutions and begin to make Direct Loans available to their students under the terms of this experiment.

(3) **Unintended consequences at for-profit colleges.** Some for-profit institutions argue that due to the 90/10 rule, they must set tuition charges above their students' Title IV aid eligibility. As a result, these institutions argue, increases in annual loan limits has the perverse consequence of not allowing them to reduce tuition and, in some instances, actually requires them to raise tuition. Additionally, some of these institutions claim that because of the 90/10 rule, they admit fewer financially needy students who bring with them increased amounts of Title IV aid eligibility. Allowing reduced loan limits for some for-profit institutions under this experiment will test these claims and, if they are true, could result in some institutions lowering tuitions. For-profit institutions wishing to participate in this experiment for purposes of addressing tuition levels would be required to include along with reductions in students' annual unsubsidized loan eligibility of at least \$2,000, reductions in tuition of the same

amount. Requests to participate under this issue should address how reducing loan limits may affect long term decisions on tuition or other fees.

The Department is aware of the risks of reduced access to loans for some students. Participating institutions will be required to describe how they will ensure that their educational programs remain affordable for students in all financial circumstances and that the institution has maintained the economic and ethnic diversity of its students and graduates. In addition, participating institutions will be expected to describe how they will attempt to prevent increases in other forms of debt by students whose unsubsidized loan amounts were reduced, including increased use of private student loans and credit cards. Participants will be required to report data on these commitments, and experiments that are not meeting them will be terminated.

Institutions participating in this experiment must inform their students and prospective students that the institution is participating in the experiment and that the institution has established maximum loan limits for unsubsidized loans that are less than the statutory maximums.

*Waivers:* Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- HEA section 479A(c), which allows only case-by-case reductions in Direct Loan amounts.
- 34 CFR 685.301(a)(8), which provides that reductions in a student's eligibility for a Direct Loan can only be made on a case-by-case basis.

All other Direct Loan requirements will be in effect.

*Evaluation:* This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine whether students who received less than the statutory amounts of Direct Loans were able to enroll in, succeed, and complete their academic programs. The Secretary will compare those results with results from similar students who received the higher loan amounts. An analysis of the effect of the experiment on the diversity of the students enrolled in the institution will be conducted, especially as it relates to the numbers of low-income students. The evaluation will also attempt to determine if the lower educational loan debt of the students in the experiment resulted in fewer delinquencies and defaults.

As noted earlier, to support a recommendation for a change to a legal

requirement, data must be provided from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules. Because it is important that outcomes for the treatment group be compared to a group of students as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

The Department will also evaluate this experiment by analyzing the information reported by the participating institutions to determine compliance with the experimental requirements that students do not receive increased amounts of non-Federal financing and to determine that participating for-profit institutions were able to reduce tuition and fees during the term of the experiment by an amount equal to the amount that student loan borrowing was reduced.

*Reporting Requirements:* The Secretary will require institutions participating in this experiment to report information on the students affected by the experiment and also on students enrolled in the same or in a similar program when the experiment was not in effect. The measures for these groups will likely include the number of enrolled students and their demographic information; tuition charges; the amount of grant and loan assistance awarded to each student; grades (or other measures of academic performance); the number of students enrolled at the beginning of the loan period; the number of withdrawals; the number of completions; and average student debt levels, including non-Federal debts.

Institutions must, upon the request of the Secretary, submit a description of their policy and procedures for determining the amount of the reduced loan eligibility.

*Experiment 7—Direct Loan Program—PLUS Loans for parents of students with intellectual disabilities.*

*Background:* Pursuant to section 484(s) of the HEA, students with intellectual disabilities who are enrolled in an approved comprehensive transition and postsecondary program (transition program) are eligible to receive funding from the Pell, Federal Work Study (FWS), and Federal Supplemental Educational Opportunity Grant (FSEOG) programs, notwithstanding that the students are not enrolled in an academic program that leads to a postsecondary educational credential. This statutory

provision specifically provides that such students may not receive support from the Title IV loan programs. Because of this, an otherwise eligible parent is unable to receive a Direct PLUS loan to help offset the educational costs for their intellectually disabled son or daughter to enroll in an approved transition program. This places the family in a difficult financial situation when educational costs exceed, sometimes significantly, the limited other Title IV aid that may be available. This is, of course, particularly true for the parents of students who are not Pell or FSEOG eligible, arguably the target group for parent PLUS loans. Many of these parents may be forced to rely on less favorable private financing to support their child's education.

*Description:* This experiment would permit participating institutions to originate and disburse Direct PLUS loans to the otherwise eligible parents of dependent students with intellectual disabilities, as defined in the Department's regulations at 34 CFR 668.231(b), who are enrolled in an approved comprehensive transition and postsecondary program (transition program), as defined in the Department's regulations at 34 CFR 668.231(a). As a condition of the parent receiving a Direct PLUS loan under this experiment, the student, or the student's parent(s) if required, must sign an agreement with the institution allowing for the release to the Department of the student's academic and other records related to the student's participation in the transition program. The release must also provide that the student (or parent) will provide information on the student's post enrollment living and occupational status. Additionally, the parents must agree to provide the institution, for release to the Secretary, general information concerning how the family financed the student's attendance in the transition program.

The objective of this experiment is to determine if by providing this financing option to some parents, more students with intellectual disabilities will enroll in and complete an approved transition program. Another objective is to reduce the parents' debt burden caused by higher interest rates from non-Federal financing.

*Waivers:* Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions:

- The portion of HEA section 484(s) that provides that students with intellectual disabilities who are enrolled in an approved comprehensive transition and postsecondary program may only receive Title IV funding from

the Pell Grant, FSEOG, and FWS programs.

- 34 CFR 668.230, which states that the only programs a student with intellectual disabilities who is enrolled in a comprehensive transition and postsecondary program is eligible for are the Pell Grant, FSEOG, and FWS programs.

All other Student Assistance General Provisions regulations and Direct Loan regulations, including all of the Direct PLUS Loan requirements of 34 CFR Part 685, will remain in effect.

*Evaluation:* This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine if making Direct PLUS loans available to the parents of students with intellectual disabilities who are enrolled in a transition program, increases the participation of those students and increases the likelihood of the students completing the transition program. The experiment will also test to see if the availability of PLUS loans reduces the reliance by the parents on non-Federal loans and other less favorable financing.

As noted earlier, to support a recommendation for a change to a legal requirement, data must be provided from both a treatment group and a control or comparison group. Because it is important that outcomes for the treatment group be compared to a group as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

*Reporting Requirements:* Institutions participating in this experiment will be required to report information on the students and parents who benefit from the PLUS loan and on those who did not. The data to be collected and analyzed will likely include the number of students enrolled in the transition program; the types and amounts of Title IV aid received by the students and, if applicable, by the parents; and information on the students' enrollment in, and completion of, the transition program. Additional data will be collected from parents regarding the need for other educational financing.

*Experiment 8—Student Eligibility—* Eligibility of students with intellectual disabilities who are also enrolled in high school.

*Background:* Pursuant to section 484(s) of the HEA, students with intellectual disabilities who are enrolled in an approved comprehensive transition and postsecondary program

(transition program) are eligible to receive funding from the Pell, Federal Work Study (FWS), and Federal Supplemental Educational Opportunity Grant (FSEOG) programs, notwithstanding that the students are not enrolled in an academic program that leads to a postsecondary educational credential. Section 484(a)(1) of the HEA specifically prohibits any student from receiving Title IV assistance if the student is also enrolled in a secondary school (*i.e.*, high school) and no statutory exception was provided for students enrolled in transition programs. Since the purpose of these comprehensive transition and postsecondary programs is to provide transition training to students who have intellectual disabilities, many of these students would benefit significantly from enrolling in the transition program at the postsecondary institution while still completing their high school curriculum. For many of these students enrolling in the postsecondary transition program while still in high school offers them the best chance for academic, vocational, and life success.

*Description:* This experiment would permit some students with intellectual disabilities who are enrolled in an approved comprehensive transition and postsecondary program at a Title IV eligible institution while also enrolled in secondary school—dually enrolled students—to receive Title IV funding, notwithstanding the general prohibition of eligibility for such students because of their dual enrollment. Institutions participating in this experiment will be required to obtain assurances from other entities that provide education services or financial support to students participating in the experiment, including local education agencies (LEAs) and State Vocational Rehabilitation Agencies, that those entities will maintain their support for the students receiving Federal financial aid under this experiment or to the students' families, unless the entity is legally prohibited from doing so.

The objective of this experiment is to determine if, by providing Title IV aid to otherwise eligible students with intellectual disabilities who are enrolled in an approved transition program while also enrolled in high school, the transition process for the students can be improved without placing financial burdens on their families.

*Waivers:* Institutions selected for this experiment will be exempt from the following statutory and regulatory provisions, but only for students with intellectual disabilities who are enrolled in approved transition programs:

- The provision of HEA section 484(a)(1) that precludes students who are enrolled in secondary school from receiving Title IV aid.

- 34 CFR 668.32(b), which excludes elementary or secondary school students from eligibility for Title IV assistance.

All other student eligibility requirements would remain in effect as would the specific requirements of each of the Title IV student assistance programs.

*Evaluation:* This experiment will be evaluated by using information provided by the institution, and any other information available to the Secretary, to determine if more intellectually disabled students enroll in and complete a comprehensive transition and postsecondary program than would have without the experiment. The evaluation will assess the success of dually enrolled students in the transition program relative to their peers who were not also enrolled in high school.

As noted earlier, to support a recommendation for a change to a legal requirement, data must be provided from both a treatment group of students who participated in the experiment and a control or comparison group of students who received their student aid under existing rules. Because it is important that outcomes for the treatment group be compared to a group of students as similar to the treatment group as possible, some students who otherwise meet the eligibility requirements for this experiment may need to have their aid administered under existing requirements.

*Reporting Requirements:* Institutions participating in this experiment will be required to report information on the students participating in the experiment and also on students enrolled in the transition program who were not also enrolled in high school. The data to be collected and analyzed for each group of students will likely include the number of students; the types and amounts of Title IV and other student aid received; the students' progress toward completion of the high school curriculum and progress toward completion of the transition program curriculum; and, where appropriate, employment information of the students who complete the transition program.

As a condition of the student receiving Title IV aid while enrolled in high school under this experiment, the student, or the student's parent(s), if required, must sign an agreement with the institution allowing for the release to the Department of the student's academic and other records related to

the student's participation in the transition program. The release must also provide that the student (or parent) will provide information on the student's post enrollment living and occupational status.

Institutions participating in this experiment will be required to provide information on whether other educational service providers maintained the students' programmatic and financial support while the student was still enrolled in high school.

**Accessible Formats:** Individuals with disabilities can obtain this document in an accessible format (e.g. braille, large print, audiotope, or compact disc) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

**Electronic Access to This Document:** The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: <http://www.gpo.gov/fdsys>. At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Adobe Portable Document Format (PDF). To use PDF, you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at: <http://www.federalregister.gov>. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

**Program Authority:** Section 487A(b); 20 U.S.C. 1094a(b).

Dated: October 21, 2011.

**Eduardo M. Ochoa,**  
Assistant Secretary for Postsecondary Education.

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket Nos. IC11-1-000 and IC11-1F-000]

#### Commission Information Collection Activities (FERC-1 and FERC-1F); Comment Request; Submitted for OMB Review

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** In compliance with the requirements of section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507, the Federal Energy Regulatory Commission (Commission or FERC) is submitting the information collections described below to the Office of Management and Budget (OMB) for review of the information collections requirements. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission issued a Notice in the **Federal Register** (76 FR 46781, 10/3/2011) requesting public comments. FERC received one comment on the FERC-1 and the FERC-1F and has provided a response in this notice as well as in its submission to OMB.

**DATES:** Comments on the collection of information are due by November 28, 2011.

**ADDRESSES:** Address comments on the collection of information to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Federal Energy Regulatory Commission Desk Officer. Comments to Created by OMB should be filed electronically, c/o

[oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov) and include OMB Control Numbers 1902-0021 (for FERC-1) and 1902-0029 (for FERC-1F) as a point of reference. For comments that pertain to only one of the collections, specify the appropriate collection and OMB Control Number. The Desk Officer may be reached by telephone at (202) 395-4718.

A copy of the comments should also be sent to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE., Washington, DC 20426. Comments may be filed either on paper or on CD/DVD, and should refer to Docket Nos. IC11-1-001 and IC11-1F as appropriate. Documents must be prepared in an acceptable filing format and in compliance with Commission submission guidelines at <http://www.ferc.gov/help/submission-guide.asp>. eFiling and eSubscription are not available for Docket No. IC11-1F-001, due to a system issue, but are available for Docket No. IC11-1-001.

All comments may be viewed, printed or downloaded remotely via the Internet through FERC's homepage using the "eLibrary" link. For user assistance, contact [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov) or toll-free at (866) 208-3676, or for TTY, contact (202) 502-8659.

**FOR FURTHER INFORMATION CONTACT:** Ellen Brown may be reached by email at [DataClearance@FERC.gov](mailto:DataClearance@FERC.gov), by

telephone at (202) 502-8663, and by fax at (202) 273-0873.

**SUPPLEMENTARY INFORMATION:** In accordance with sections 304 and 309 of the Federal Power Act, FERC is authorized to collect and record data to the extent it considers necessary, and to prescribe rules and regulations concerning accounts, records and memoranda. The Commission may prescribe a system of accounts for jurisdictional companies and after notice and an opportunity for hearing may determine the accounts in which particular outlays and receipts will be entered, charged or credited.

The Form No. 1 is a comprehensive financial and operating report submitted for electric rate regulation and financial audits. Major is defined as having (1) one million Megawatt hours or more; (2) 100 megawatt hours of annual sales for resale; (3) 500 megawatt hours of annual power exchange delivered; or (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

FERC Form 1-F is designed to collect financial and operational information from non-major public utilities and licensees. Non-major is defined as having total annual sales of 10,000 megawatt-hours or more in the previous calendar year and not classified as Major. The Commission collects Form Nos. 1 and 1-F information as prescribed in 18 CFR 141.1 and 141.2.

Under the existing regulations FERC jurisdictional entities subject to its Uniform System of Accounts<sup>1</sup> must annually (quarterly for the 3Q) file with the Commission a complete set of financial statements, along with other selected financial and non financial data through the submission of FERC Forms 1, 1-F, and 3Q.<sup>2</sup> The FERC Annual/Quarterly Report Forms provide the Commission, as well as others, with an informative picture of the jurisdictional entities financial condition along with other relevant data that is used by the Commission, as well as others, in making economic judgments about the entity or its industry.

The information collected in the forms is used by Commission staff, state regulatory agencies and others in the review of the financial condition of regulated companies. The information is also used in various rate proceedings, industry analyses and in the Commission's audit programs and as appropriate, for the computation of

<sup>1</sup> See 18 CFR part 201.

<sup>2</sup> The FERC Form 3Q data collection (OMB Control No. 205) is not being renewed as part of this proceeding. Some information regarding the Form 3Q is included here as it relates to the FERC Forms 1 and 1F.