(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Los Angeles ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the certification office, send it to the attention of the person identified in paragraph (k) of this AD.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(k) Related Information

For more information about this AD, contact Joseph Costa, Aerospace Engineer, Los Angeles ACO Branch, FAA, 3960 Paramount Blvd., Lakewood, CA 90712–4137; phone: 562–627–5246; fax: 562–627–5210; email: joseph.costa@faa.gov.

(l) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless the AD specifies otherwise.


(ii) Reserved.


(4) You may view this service information at the FAA, Engine and Propeller Standards Branch, 1200 District Avenue, Burlington, MA. For information on the availability of this material at the FAA, call 781–238–7759.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: http://www.archives.gov/federal-register/cfr/ibr-locations.html.

Issued in Burlington, Massachusetts, on January 17, 2018.

Robert J. Ganley,

Manager, Engine and Propeller Standards Branch, Aircraft Certification Service.

[BFR Doc. 2018–01228 Filed 1–23–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Part 40

[Docket No. RM17–12–000; Order No. 840]

Emergency Preparedness and Operations Reliability Standards

AGENCY: Federal Energy Regulatory Commission.

ACTION: Final rule.


DATES: This rule will become effective March 26, 2018.

FOR FURTHER INFORMATION CONTACT:


SUPPLEMENTARY INFORMATION: Before Commissioners: Kevin J. McIntyre, Chairman; Cheryl A. LaFleur, Neil Chatterjee, Robert F. Powelson, and Richard Glick.

1. Pursuant to section 215 of the Federal Power Act (FPA), the Commission approves Emergency Preparedness and Operations (EOP) Reliability Standards EOP–004–4 (Event Reporting), EOP–005–3 (System Restoration from Blackstart Resources), EOP–006–3 (System Restoration Coordination), and EOP–008–2 (Loss of Control Center Functionality), submitted by the North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO). The Commission also approves the associated violation risk factors, violation severity levels, implementation plans, and effective dates. In addition, the Commission approves the retirement of currently-effective Reliability Standards EOP–004–3, EOP–005–2, EOP–006–2, and EOP–008–1 immediately prior to the effective dates of the EOP Reliability Standards.

2. The Commission determines that the approved EOP Reliability Standards will enhance reliability by: (1) Providing accurate reporting of events to NERC's event analysis group to analyze the impact on the reliability of the bulk electric system (Reliability Standard EOP–004–4); (2) delineating the roles and responsibilities of entities that support system restoration from blackstart resources which generate power without the support of the bulk electric system (Reliability Standard EOP–005–3); (3) clarifying the procedures and coordination requirements for reliability coordinator personnel to execute system restoration processes (Reliability Standard EOP–006–3); and (4) refining the required elements of an operating plan used to continue reliable operations of the bulk electric system in the event that primary control center functionality is lost (Reliability Standard EOP–008–2).

I. Background

A. Regulatory Background

3. Section 215 of the FPA requires a Commission-certified ERO to develop mandatory and enforceable Reliability Standards that are subject to Commission review and approval. The Commission may approve, by rule or order, a proposed Reliability Standard or modification to a Reliability Standard if it determines that the Reliability Standard is just, reasonable, not unduly discriminatory or preferential and in the public interest.2 Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight, or by the Commission independently.3

4. Pursuant to section 215 of the FPA, the Commission established a process to select and certify an ERO,4 and subsequently certified NERC.5 On March 16, 2007, the Commission issued Order No. 693, approving 83 of the 107 Reliability Standards filed by NERC, 6

2 Id. 824o(d)(2).

3 Id. 824o(e).


including the initial EOP Reliability Standards.\textsuperscript{6}

\textbf{B. NERC Petition}

5. On March 27, 2017, NERC filed a petition seeking approval of the proposed EOP Reliability Standards and retirement of currently-effective Reliability Standards EOP–004–3, EOP–005–2, EOP–006–2, and EOP–008–1. NERC indicated that the revisions were intended to: (1) Streamline the currently-effective EOP Reliability Standards; (2) remove redundancies and other unnecessary language while making the Reliability Standards more results-based;\textsuperscript{7} and (3) address the Commission’s concern articulated in Order No. 749 regarding system restoration training.\textsuperscript{8}

\textbf{C. Notice of Proposed Rulemaking and Comments}

6. On September 20, 2017, the Commission issued a Notice of Proposed Rulemaking proposing to approve the EOP Reliability Standards submitted by NERC.\textsuperscript{9} In the NOPR the Commission indicated that Reliability Standard EOP–004–4 will enhance reliability by assigning reporting responsibilities to appropriate entities and clarifying the threshold reporting for a given event. In addition, the Commission proposed to find that Reliability Standard EOP–004–4 promotes efficiency and clarity by eliminating redundant reporting of a single event by multiple entities. The Commission also proposed to determine that Reliability Standards EOP–005–3, EOP–006–3, and EOP–008–2 will enhance reliability by delineating the roles and responsibilities of entities that support system restoration from blackstart resources; clarifying the procedures and coordination requirements for reliability coordinator personnel to execute system restoration processes; and refining the contents of an operating plan used by reliability coordinators, balancing authorities, and transmission operators to maintain the reliability of the bulk electric system in the event that primary control center functionality is lost.

7. NERC, Edison Electric Institute (EEI), and Magnum CAES, LLC (Magnum) filed comments in response to the NOPR either supporting or taking no position on the NOPR proposal. NERC and EEI request that the Commission adopt the NOPR proposal to approve the EOP Reliability Standards. Magnum states that it does not take a specific position on the EOP Reliability Standards but believes that they are important tools in maintaining grid safety and reliability.

\textbf{II. Discussion}

8. Pursuant to FPA section 215(d)(2), the Commission approves Reliability Standards EOP–004–4, EOP–005–3, EOP–006–3, and EOP–008–2 as just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission also approves the associated violation risk factors, violation severity levels, implementation plans, and effective dates. Further, the Commission approves the retirement of currently-effective Reliability Standards EOP–004–3, EOP–005–2, EOP–006–2, and EOP–008–1 immediately prior to the effective dates of the approved EOP Reliability Standards.

9. The Commission determines that Reliability Standard EOP–004–4 will enhance reliability by assigning reporting responsibilities to appropriate entities and clarifying the threshold reporting for a given event. In addition, aligning the reportable events and thresholds, where appropriate, identified in Attachments 1 and 2 of the Reliability Standard with the Department of Energy’s Form OE–417 will improve the quality of information received by NERC and, as a result, the quality of analysis that NERC produces for trending analysis and developing lessons learned and not designed to be a real-time tool. NERC stated that any real-time reporting to NERC or Regional Entities (i.e., contemporaneous with the transmission operator’s notification of the IROL to the reliability coordinator) should be addressed in the Transmission Operations Reliability Standards, which deal with the real-time operations time horizon. NERC identified in its petition three Reliability Standards that, NERC asserted, require the reporting of such information.\textsuperscript{10} However, in the NOPR, the Commission indicated that it did not appear that these Reliability Standards require the reporting of IROL T\textsubscript{v} exceedance information; instead, the Commission observed that currently NERC voluntarily shares IROL T\textsubscript{v} exceedance information, collected pursuant to Reliability Standard EOP–004–3, with Commission staff so that Commission staff can monitor the transmission system and identify reliability trends.\textsuperscript{11} In the NOPR, the Commission stated that it understands that NERC will continue to receive IROL T\textsubscript{v} exceedance information and share it with Commission staff even after the retirement of Reliability Standard EOP–004–3. NERC did not dispute or otherwise take issue with the Commission’s understanding in NERC’s comments.\textsuperscript{12} The Commission approves the retirement of currently-effective Reliability Standard EOP–004–3.
III. Information Collection Statement

11. The Paperwork Reduction Act (PRA) requires each federal agency to seek and obtain Office of Management and Budget (OMB) approval before undertaking a collection of information directed to ten or more persons, or contained in a rule of general applicability. The OMB regulations require that OMB approve certain reporting and recordkeeping (collections of information) imposed by an agency. Upon approval of a collection(s) of information, OMB will assign an OMB control number and expiration date. Respondents subject to the filing requirements of this rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number.

12. In this Final Rule the Commission is approving the following Reliability Standards: EOP–004–4 (Event Reporting), EOP–005–3 (System Restoration from Blackstart Resources), EOP–006–3 (System Restoration Coordination), and EOP–008–2 (Loss of Control Center Functionality), associated with information collections FERC–725A and FERC–725S. The Commission also approves the associated violation risk factors, violation severity levels, implementation plans, and effective dates.

13. Public Reporting Burden: The changes reflected in these Reliability Standards are not expected to result in a net increase in the annual record-keeping and reporting requirements on applicable entities (GO, DP, RC, TO, TOP, and GOP). Our estimate in the tables below regarding the number of respondents is based on the NERC Compliance Registry as of September 15, 2017. Reliability Standards EOP–004–4, EOP–005–3, EOP–006–3, and EOP–008–2 will replace the paperwork burden approved in FERC–725A (OMB Control No. 1902–0244) and be added to FERC–725S. That burden reflects an increase in total burden hours and cost based on adjustments in the number of entities and cost per hour applicable under the EOP Reliability Standards approved in this Final Rule. However, analysis comparing both previous burden approved in FERC–725A and burden for FERC–725S show an increase in total burden but no increase in burden hours per response.

14. The first table for FERC–725A addresses the burden reduction for a total of 59,591.5 hours and $3,744,990 (55,929.5 hours and $3,595,708 from reporting requirement; and 3,662 hours and $149,282 from record keeping). The second table: (a) Moves burden from the old version in the Reliability Standards approved in FERC–725A to FERC–725S; (b) shows no net change in burden per entity between the new and old versions of the Reliability Standards; and (c) updates applicable entities and cost per hour figure.

### Reductions to FERC–725A, from the Final Rule in Docket No. RM17–12

<table>
<thead>
<tr>
<th>Reliability standard and associated requirement</th>
<th>Number of respondents</th>
<th>Annual number of responses per respondent</th>
<th>Total number of responses</th>
<th>Average burden and cost per response</th>
<th>Total annual burden and total annual cost</th>
<th>Cost per respondent ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time Review and Revision of Plan (affected entities)</td>
<td>215</td>
<td>1</td>
<td>215 (2) = (3)</td>
<td>4,300 hrs. (Eng.); ($276,447) (Reduction).</td>
<td>($1,286) (Eng.) (Reduction).</td>
<td>($7,715) (Eng.) (Reduction).</td>
</tr>
<tr>
<td>Updating, Approving, and Maintaining Records (affected entities).</td>
<td>215</td>
<td>1</td>
<td>215</td>
<td>1,290 hrs. (Eng.); ($82,934) (Eng.); ($16,233) (Reduction).</td>
<td>($76) (Reduction).</td>
<td></td>
</tr>
</tbody>
</table>

| GOP Testing | 230 | 1 | 230 | 18,400 hrs. (Eng.); ($348,709) (Reduction). | ($5,143) (Eng.) (Reduction). |
| TO and DP Training | 678 | 1 | 678 | 5,424 hrs. (Eng.); ($348,709) (Reduction). | ($514) (Eng.) (Reduction). |

| EOP–004–4 | One-Time Review and Revision of Plan (affected entities). | 1,400 | 1 | 1,400 | 2 hrs. (Eng.); ($129) (Reduction). | ($129) (Reduction). |
| Reporting Events (affected entities). | 350 | 1 | 350 | 0.17 hrs. (Eng.); ($11) (Reduction). | ($11) (Reduction). |

15. The estimates for cost per hour are based on 2015 wage figures. The table uses 2015 wage figures because 2015 wage figures were used when the requirements listed in the table were implemented. The wage figures were derived as follows: $64.29/hour, the average salary plus benefits per electrical engineer, Occupation Code 17–2071 (from Bureau of Labor Statistics at https://www.bls.gov/oes/current/naics2_22.htm)

16. The nearest dollar in the burden table.

17. $37.75/hour, the average salary plus benefits for information and record clerks, Occupation Code 43–4071 (from Bureau of Labor Statistics at https://www.bls.gov/oes/current/naics2_22.htm)
In the table below Reliability Standards EOP–004–4, EOP–005–3, EOP–006–3, and EOP–008–2 will result in paperwork burden being added to FERC–725S (OMB Control No. 1902–0270). These Reliability Standards will replace previous versions whose paperwork burden was previously approved in FERC–725A (OMB Control No. 1902–0244). The burden being added to FERC–725S reflects an increase from the previous versions of the Reliability Standards in total burden hours and cost based on adjustments in the one additional entities and changes to hourly cost.

<table>
<thead>
<tr>
<th>Reliability standard and associated requirement</th>
<th>Number of respondents</th>
<th>Annual number of responses per respondent</th>
<th>Total number of responses</th>
<th>Average burden and cost per response</th>
<th>Total annual burden and total annual cost</th>
<th>Cost per respondent ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FERC–725S, MODIFICATIONS DUE TO FINAL RULE IN DOCKET NO. RM17–12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EOP–008–2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Updating, Approving, and Maintaining Records.</td>
<td>216</td>
<td>1</td>
<td>216</td>
<td>20 hrs. (Eng.); $1,362 ........</td>
<td>4,320 hrs. (Eng.); $294,192</td>
<td>$1,362 (Eng.)</td>
</tr>
<tr>
<td>One-time Contracting in Year 1.</td>
<td>27</td>
<td>1</td>
<td>27</td>
<td>120 hrs. (Eng.) $8174 ........</td>
<td>3,240 hrs. $220,698 (Eng.)</td>
<td>$8174 (Eng.)</td>
</tr>
<tr>
<td>EOP–005–3 &amp; EOP–006–3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RC Data Retention</td>
<td>11</td>
<td>2</td>
<td>22</td>
<td>8 hrs. (R.K.) $313 ........</td>
<td>176 hrs. (R.K.); $6,886 ........</td>
<td>$626 (R.K.)</td>
</tr>
<tr>
<td>TOP Reporting Data</td>
<td>177</td>
<td>1</td>
<td>177</td>
<td>6 hrs. (Eng.); $409 2 hrs.</td>
<td>20,532 hrs. $1,209,456</td>
<td>$8528 ($7,902 (Eng.); $626 (R.K.).</td>
</tr>
<tr>
<td>GOP Testing</td>
<td>264</td>
<td>1</td>
<td>264</td>
<td>80 hrs. (Eng.); $550 ........</td>
<td>21,120 hrs. $1,438,800</td>
<td>$5,450 (Eng.).</td>
</tr>
<tr>
<td>TO and DP Training</td>
<td>524</td>
<td>1</td>
<td>524</td>
<td>8 hrs. (Eng.); $545 ........</td>
<td>4,192 hrs. (Eng.); $285,580</td>
<td>$545 (Eng.).</td>
</tr>
<tr>
<td>EOP–004–4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>One-Time Review and Revision in Year 1 (affected entities).</td>
<td>1,475</td>
<td>1</td>
<td>1,475</td>
<td>2 hrs. (Eng.); $136 ........</td>
<td>2,950 hrs. (Eng.); $200,600</td>
<td>$136 (Eng.).</td>
</tr>
<tr>
<td>Reporting Events (affected entities).</td>
<td>368</td>
<td>1</td>
<td>368</td>
<td>0.17 hrs. (Eng.); $12 ........</td>
<td>63 hrs. (Eng.); $4,416 ........</td>
<td>$12 (Eng.).</td>
</tr>
<tr>
<td>Total Year 1</td>
<td></td>
<td></td>
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<tr>
<td>Total Year 2</td>
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<tr>
<td>Total Year 3</td>
<td></td>
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</tr>
</tbody>
</table>

In the table above, we indicate the annual total burden for years 1, 2 and 3 for FERC–725S (OMB Control No. 1902–0270). The average annual burden for years 1, 2, and 3 is (61,090 hours + 50,643 hours + 50,643/3 = 54,125. The average annual cost is $3,578,853.

In the burden table, reporting requirement (engineering) is abbreviated as “Eng.” and record keeping is abbreviated as “R.K.”

The estimates for cost per hour are based on May 2016 wage figures and derived as follows:


The results of calculations are rounded to the nearest dollar within the burden table.

Action: Revision to existing collections.

OMB Control Nos.: 1902–0244 (FERC–725A); 1902–0270 (FERC–725S).

Respondents: Businesses or other for-profit institutions; not-for-profit institutions.

Frequency of Responses: One-Time and Annually.

Necessity of the Information:
Reliability Standards EOP–008–1, EOP–005–3, EOP–004–4 provide accurate reporting of events to NERC’s event analysis group to analyze the impact on the reliability of the bulk electric system [Reliability Standard EOP–004–4]; delineate the roles and responsibilities of entities that support system restoration from blackstart resources [Reliability Standard EOP–005–3]; clarify the procedures and coordination requirements for reliability coordinator personnel to execute system restoration processes [Reliability Standard EOP–006–3]; and, refine the required elements of an operating plan used to continue reliable operations of the bulk electric system if that primary control functionality is lost [Reliability Standard EOP–008–2]. These Reliability Standards modifications are designed to eliminate redundant reporting of a single event by multiple entities, assign reporting requirements to appropriate entities, and clarify the threshold reporting for a given event.

Internal Review: The Commission reviewed the revised Reliability Standards and made a determination that its action is necessary to implement section 215 of the FPA. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information requirements.

V. Regulatory Flexibility Act
17. The Regulatory Flexibility Act of 1980 (RFA) generally requires a description and analysis of Final Rule that will have significant economic impact on a substantial number of small entities. The RFA does not mandate any particular outcome in a rulemaking. It only requires consideration of alternatives that are less burdensome to small entities and an agency explanation of why alternatives were rejected.

18. In this Final Rule, the Commission estimates a one-time cost of compliance for administering the changes in the approved Reliability Standards versus their prior versions but no ongoing net burden change. The total average annual burden and cost to industry over years 1, 2 and 3 is $4,125 hours and $3,578,853. Therefore, the average annual cost per entity is $16,569. Comparison of the applicable entities with the Commission’s small business data indicates that approximately 45 (or 21 percent) of applicable entities are small entities. Accordingly, the Commission certifies that the Final Rule will not have a significant economic impact on a substantial number of small entities.

VI. Effective Date and Congressional Notification
19. These regulations are effective March 26, 2018. The Commission has determined, with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of OMB, that this rule is not a “major rule” as defined in section 351 of the Small Business Regulatory Enforcement Fairness Act of 1996.