

## 2. New Ancillary Service Schedule

59. The Commission proposes to add a new schedule to the FERC Annual Report Forms 1 and 1-F to collect information on the amount of ancillary services purchased and sold during the year. Under Order No. 888, ancillary services are now offered as part of open access transmission tariffs. These services and related amounts have been reported in an inconsistent manner in the annual reports. Therefore the proposed change would add a new schedule to report the services by the six types of ancillary services described in Order No. 888.<sup>20</sup> Appendix B contains a sample of the proposed new schedule to collect financial data related to ancillary services and the related instructions.

## 3. Update Corporate Officer Certification

60. In response to the Sarbanes-Oxley Act of 2002, the Commission is updating its corporate officer certification requirements.<sup>21</sup> The Corporate Officer Certification Statement is not a new requirement. The Commission is simply updating the current statement to reflect the current economic environment. The corporate officer certification will contain the same representations as the one previously discussed for the proposed quarterly reports.

## 4. Acceleration of Annual Report Form Submission

61. The Commission proposes to accelerate the filing date for FERC Annual Report Forms 1, 1-F, 2, 2-A, and 6.<sup>22</sup> Using a phase-in approach, the Commission proposes that all FERC Annual Report Forms be filed within 75 days for the year ending on December 31, 2003. Additionally, the Commission proposes that all FERC Annual Report Forms be filed within 60 days for the year ending December 31, 2004, and each subsequent year as shown in the table below:

Calendar year ending	FERC annual report filing due on or before
1 December 31, 2003	March 17, 2004
2 December 31, 2004	March 1, 2005
3 Each Year Thereafter	March 1

<sup>20</sup> See FERC Stats. & Regs., Regulations Preambles January 1991-1996, ¶ 31,036 (1996). See also Proforma OATT in Order No. 888, Schedules 1-8 and Attachment F.

<sup>21</sup> *Supra* note 6.

<sup>22</sup> *Supra* note 6.

## 5. Changes to the CPA Certification Requirements

62. The Commission proposes to accelerate filing dates of the current annual CPA Certification Statement and permit it to be filed electronically. Under the existing Commission requirements, jurisdictional public utilities, licensees and natural gas companies may file their CPA certification letter 30 days after submission of the FERC Annual Report. As part of the acceleration of the FERC Annual Report Forms the Commission is also proposing to accelerate the filing date of the annual CPA Certification Statement. The Commission proposes that the CPA certification be filed electronically on the same date as the FERC Annual Report. The CPA Certification Statement provides the users of the annual financial statements with additional support increasing the reliability of the financial and other information contained in the form. Electronic filing of the CPA certification will reduce the cost of submitting and maintaining the paper document, and improve the accessibility of the document. Finally, for those companies that continue to file a paper CPA Certification Statement, the Commission proposes to accelerate the filing date of the paper CPA Certification Statement from 30 days to 7 days after the FERC Annual Reports are filed.

## 6. Miscellaneous

63. Finally, as part of the revisions to the FERC Annual Report Forms 1 and 1-F, the Commission proposes to update the statistical classifications billings resulting from the use of the transmission system by others, and the use of the system for others to reflect open access established by Order No. 888. The revised statistical classifications are as follows:

*FNS-for Firm Network Transmission Service for Self.* "Firm" means service that cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Transmission Service" is transmission service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent. FNO-Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

*LFP-for Long-Term Firm Point-to-Point Transmission Reservations.*

"Long-term" means 1 year or longer. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions, and "Point-to-point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

*OLF-for Other Long-Term Firm Transmission Service.* "Long-term" means 1 year or longer. This is service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contracts.

*SFP-for Short-Term Firm Point-to-Point Transmission Reservations.* This proposed classification is used for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than 1 year.

*NF-for Non-Firm Transmission Service,* where "Non-firm" means service that cannot be interrupted for economic reasons or reliability reasons.

*OS-for Other Transmission Service,* where "Firm" means service that cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

*AD-for Out-of-Period Adjustments.* Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

## IV. Regulatory Flexibility Act Statement

64. The Regulatory Flexibility Act (RFA) requires agencies to prepare certain statements, descriptions, and analyses of proposed rules that will have a significant economic impact on a substantial number of small entities.<sup>23</sup> The Commission is not required to make such analyses if a rule would not have such an effect.

65. The Commission concludes that this rule would not have such an impact on small entities. Most filing companies regulated by the Commission do not fall within the RFA's definition of a small

<sup>23</sup> 5 U.S.C. 601-612.