

entity.²⁴ As previously mentioned, the Commission concludes that this reporting would not be a significant burden to industry since the information is already being captured by their accounting systems and generally being reported to shareholders and others at a company, or at a consolidated business level. However, if the reporting requirements represent an undue burden on small businesses, the entity affected may seek a waiver of the disclosure requirements from the Commission.

V. Environmental Analysis

66. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a

significant adverse effect on the human environment.²⁵ No environmental consideration is raised by the promulgation of a rule that is procedural or does not substantially change the effect of legislation or regulations being amended.²⁶ The proposed rule updates the Parts 141, 260, 357 and 375 of the Commission's regulations, and does not substantially change the effect of the underlying legislation or the regulations being revised or eliminated. Accordingly, no environmental consideration is necessary.

VI. Information Collection Statement

67. The following collections of information contained in this proposed rule have been submitted to the Office of Management and Budget (OMB) for

review under § 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d). Comments are solicited on the Commission's need for this information, whether the information will have practical utility, the accuracy of provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondent's burden, including the use of automated information techniques.

Estimated Annual Burden

68. The Commission estimates that on average it will take respondents 24 hours to comply with the proposed requirements. This will result in total hours for the following collections of information:

Data collection form (a)	Number of respondents (b)	Number of hours (c)	Filing periods (d)	Total annual hours (e)=(b)×(c)×(d)
1 FERC Form 3-Q	331	24	3	23,832.0
2 FERC Form 6-Q	159	24	3	11,448.0
3 FERC Form 1	216	1	1	216.0
4 FERC Form 17-F	26	1	1	26.0
5 FERC Form 2	57	1/2	1	28.5
6 FERC Form 2-A	53	1/2	1	26.5
7 FERC Form 6	159	1/2	1	79.5
8 Totals				35,656.5

Total Annual Hours for Collection

(Reporting + Recordkeeping, (if appropriate)) = 35,656.5 hours.

* This estimate is based on an average of 24 hours per respondent for recordkeeping purposes.

69. OMB's regulations require it to approve certain information collection requirements imposed by agency rule. The Commission is submitting notification of this proposed rule to OMB.²⁷

Title:

FERC Form No. 1, Annual Report of Major Electric Utilities, Licensees, and Others;
 FERC Form No. 1-F, Annual Report for Non-Major Public Utilities and Licensees;
 FERC Form No. 2, Annual Report for Major Natural Gas Companies;
 FERC Form No. 2-A, Annual Report for Non-Major Natural Gas Companies;
 FERC Form No. 3-Q, Quarterly Financial Report of Electric Utilities, Licensees, and Natural Gas Companies;
 FERC Form No. 6, Annual Report for Oil Pipeline Companies;

FERC Form No. 6-Q, Quarterly Financial Report of Oil Pipeline Companies.

Action: Proposed Collections.

OMB Control No.: To be determined.

Respondents: Business or other for profit.

Frequency of Responses: Quarterly.

Necessity of the Information: The proposed rule would revise the Commission's reporting requirements to improve financial transparency for jurisdictional companies. Transparent reporting of financial information and better financial disclosures proposed in this rule will help the Commission identify emerging trends and issues affecting energy companies, and thus provide more vigilant oversight of the regulated companies. The improved transparency brought about by more frequent financial reporting will help restore investor confidence in the energy industry.

70. Quarterly reporting of financial information will provide the Commission with an important tool to timely identify issues affecting jurisdictional entities within the energy industry. It will aid the Commission in

assessing the economic consequences of transactions and events on jurisdictional entities, measuring the effects of regulatory initiatives, evaluating the adequacy of existing traditional cost-based rates, and aid in the development of needed changes to existing regulatory initiatives.

71. Although the Commission currently requires jurisdictional entities to file financial information on an annual basis, a general weakness in this reporting program has been the frequency with which these reports are required. In a rapidly changing business environment, annual reporting is simply insufficient. For financial information to be useful to the Commission it must be collected on a more timely basis.

72. Internal Review: The Commission has reviewed the requirements pertaining to the Uniform Systems of Accounts and to the financial reports it prescribes and determined the proposed revisions are necessary to obtain more timely, relevant, reliable and understandable financial information from major participants in the energy market. More frequent reporting of financial information will provide the

²⁴ 5 U.S.C. 601(3), citing to section 3 of the Small Business Act, 15 U.S.C. 632. Section 3 of the Small Business Act defines a "small-business concern" as a business which is independently owned and

operated and which is not dominant in its field of operation.

²⁵ Order No. 486, Regulations Implementing the National Environmental Policy Act, 52 FR 47897

(Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986-1990 ¶ 30,783 (1987).

²⁶ 18 CFR 380.4(a)(2)(ii).

²⁷ 5 CFR 1320.11.