



6450-01-P

DEPARTMENT OF ENERGY

Southeastern Power Administration

Proposed Rate Adjustment, Public Forum, and Opportunities for Public Review and Comment for Georgia-Alabama-South Carolina System of Projects

AGENCY: Southeastern Power Administration, DOE

ACTION: Notice of proposed rate

SUMMARY: Southeastern Power Administration (Southeastern) proposes to revise existing schedules of rates and charges applicable to the sale of power from the Georgia-Alabama-South Carolina System of Projects effective for a 5-year period, October 1, 2012, through September 30, 2017. Additionally, opportunities will be available for interested persons to review the present rates and the proposed rates and supporting studies, to participate in a public forum and to submit written comments. Southeastern will evaluate all comments received in this process.

DATES: Written comments are due on or before **[INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. A public information and comment forum will be held in Atlanta, Georgia, at 1:00 P.M. on April 24, 2012. Persons desiring to speak at the forum should notify Southeastern at least seven (7) days before the forum is scheduled, so that a list of forum participants can be prepared. Others may speak if time permits. If Southeastern has not been notified by close of business on April 17, 2012, that at least one person intends to be present at the forum, the forum may be canceled with no further notice.

ADDRESSES: Written comments should be submitted to: Administrator, Southeastern Power Administration, Department of Energy, 1166 Athens Tech Road, Elberton, Georgia, 30635-6711.

The public information and comment forum for the Georgia-Alabama-South Carolina System of

Projects will be at the Renaissance Concourse Atlanta Airport Hotel, One Hartsfield Centre Parkway, Atlanta, GA 30354 Phone: (404) 209-9999.

FOR FURTHER INFORMATION CONTACT: Virgil Hobbs, Assistant Administrator, Finance & Marketing, Southeastern Power Administration, Department of Energy, 1166 Athens Tech Road, Elberton, Georgia, 30635, (706) 213-3800.

SUPPLEMENTARY INFORMATION: The Federal Energy Regulatory Commission (FERC) by order issued June 30, 2011 (135 FERC ¶ 62,267), confirmed and approved on a final basis Wholesale Power Rate Schedules SOCO-1-D, SOCO-2-D, SOCO-3-D, SOCO-4-D, ALA-1-M, MISS-1-M, Duke-1-D, Duke-2-D, Duke-3-D, Duke-4-D, Santee-1-D, Santee-2-D, Santee-3-D, Santee-4-D, SCE&G-1-D, SCE&G-2-D, SCE&G-3-D, SCE&G-4-D, Pump-1-A, Pump-2, Regulation-1, and Replacement-1 applicable to Georgia-Alabama-South Carolina System of Projects' power for a period ending September 30, 2015.

DISCUSSION: Existing rate schedules are predicated upon a July 2010 repayment study and other supporting data. A repayment study prepared in February of 2012 shows that existing rates are not adequate to meet repayment criteria. This is due primarily to revenue from stream-flow energy that has been less than previously estimated as a result of below average water conditions, and increased U. S. Army Corps of Engineers Operation & Maintenance expenses.

The revised repayment study shows that a revenue increase of \$21,913,000 in fiscal year 2013 and all future years over the current repayment study will result in all costs being repaid within the term of these rate schedules or their service life. Therefore, Southeastern is proposing to revise the existing rates to generate this additional revenue. The rate adjustment is an increase of about ten percent (10%) in the revenue requirement and fifteen percent (15%) in the rates for capacity and energy.

Southeastern is proposing the following rate schedules to be effective for the period from October 1, 2012 through September 30, 2017.

Rate Schedule SOCO-1-E

Available to public bodies and cooperatives in Georgia, Alabama, Mississippi, and Florida to whom power may be wheeled and scheduled pursuant to contracts between the Government and Southern Company Services, Incorporated.

Rate Schedule SOCO-2-E

Available to public bodies and cooperatives in Georgia, Alabama, Mississippi, and Florida to whom power may be wheeled pursuant to contracts between the Government and Southern Company Services, Incorporated. The customer is responsible for providing a scheduling arrangement with the Government.

Rate Schedule SOCO-3-E

Available to public bodies and cooperatives in Georgia, Alabama, Mississippi, and Florida to whom power may be scheduled pursuant to contracts between the Government and Southern Company Services, Incorporated. The customer is responsible for providing a transmission arrangement.

Rate Schedule SOCO-4-E

Available to public bodies and cooperatives in Georgia, Alabama, Mississippi, and Florida served through the transmission facilities of Southern Company Services, Inc. The customer is responsible for providing a scheduling arrangement with the Government and for providing a transmission arrangement.

Rate Schedule ALA-1-N

Available to PowerSouth Energy Cooperative.

Rate Schedule MISS-1-N

Available to the South Mississippi Electric Power Association to whom power may be wheeled pursuant to contract between the Government and PowerSouth Energy Cooperative.

Rate Schedule Duke-1-E

Available to public bodies and cooperatives in North Carolina and South Carolina to whom power may be wheeled and scheduled pursuant to contracts between the Government and Duke Power Company.

Rate Schedule Duke-2-E

Available to public bodies and cooperatives in North Carolina and South Carolina to whom power may be wheeled pursuant to contracts between the Government and Duke Power Company. The customer is responsible for providing a scheduling arrangement with the Government.

Rate Schedule Duke-3-E

Available to public bodies and cooperatives in North Carolina and South Carolina to whom power may be scheduled pursuant to contracts between the Government and Duke Power Company. The customer is responsible for providing a transmission arrangement.

Rate Schedule Duke-4-E

Available to public bodies and cooperatives in North Carolina and South Carolina served through the transmission facilities of Duke Power Company. The customer is responsible for providing a scheduling arrangement with the Government and for providing a transmission arrangement.

Rate Schedule Santee-1-E

Available to public bodies and cooperatives in South Carolina to whom power may be

wheeled and scheduled pursuant to contracts between the Government and South Carolina Public Service Authority.

Rate Schedule Santee-2-E

Available to public bodies and cooperatives in South Carolina to whom power may be wheeled pursuant to contracts between the Government and South Carolina Public Service Authority. The customer is responsible for providing a scheduling arrangement with the Government.

Rate Schedule Santee-3-E

Available to public bodies and cooperatives in South Carolina to whom power may be scheduled pursuant to contracts between the Government and South Carolina Public Service Authority. The customer is responsible for providing a transmission arrangement.

Rate Schedule Santee-4-E

Available to public bodies and cooperatives in South Carolina served through the transmission facilities of South Carolina Public Service Authority. The customer is responsible for providing a scheduling arrangement with the Government and for providing a transmission arrangement.

Rate Schedule SCE&G-1-E

Available to public bodies and cooperatives in South Carolina to whom power may be wheeled and scheduled pursuant to contracts between the Government and South Carolina Electric & Gas Company.

Rate Schedule SCE&G-2-E

Available to public bodies and cooperatives in South Carolina to whom power may be wheeled pursuant to contracts between the Government and South Carolina Electric & Gas

Company. The customer is responsible for providing a scheduling arrangement with the Government.

Rate Schedule SCE&G-3-E

Available to public bodies and cooperatives in South Carolina to whom power may be scheduled pursuant to contracts between the Government and South Carolina Electric & Gas Company. The customer is responsible for providing a transmission arrangement.

Rate Schedule SCE&G-4-E

Available to public bodies and cooperatives in South Carolina served through the transmission facilities of South Carolina Electric & Gas Company. The customer is responsible for providing a scheduling arrangement with the Government and for providing a transmission arrangement.

Rate Schedule Pump-1-A

Available to all customers of the Georgia-Alabama-South Carolina System and applicable to energy from pumping operations at the Carters and Richard B. Russell projects.

Rate Schedule Pump-2

Available to public bodies and cooperatives who provide their own scheduling arrangement and elect to allow Southeastern to use a portion of their allocation for pumping.

Rate Schedule Regulation-1

Available to public bodies and cooperatives in Georgia, Alabama, Mississippi, Florida, South Carolina, or North Carolina to whom regulation service is provided pursuant to contracts between the Government and the customer.

Rate Schedule Replacement-1

Available to all customers in the Georgia-Alabama-South Carolina System and

applicable to replacement energy.

The proposed rates for capacity, energy, and generation services are as follows:

Capacity	\$4.81	per kW per month
Energy	12.33	mills per kWh
Generation Services	\$0.12	per kW per month

Under this scenario, 75 per cent of generation revenues are recovered from capacity sales and 25 per cent are recovered from energy sales. These rates are expected to produce an average revenue increase of \$22,124,000 million in FY 2013 and all future years.

The rates for transmission, scheduling, reactive supply, and regulation and frequency response apply to all four scenarios and are illustrated in Table 1.

**Southeastern Power Administration Proposed Rates for
Transmission Scheduling, Reactive, and Regulation Charges**

Rate Schedule	Transmission Charge \$/kW/month	Scheduling charge \$/kW/month	Reactive charge \$/kW/month	Regulation charge \$/kW/month
SOCO-1-E	2.81	0.0806	0.11	0.0483
SOCO-2-E	2.81	-	0.11	-
SOCO-3-E	-	0.0806	-	0.0483
SOCO-4-E	-	-	-	-
ALA-1-N	-	-	-	-
MISS-1-N	2.72	-	-	-
Duke-1-E	1.26	-	-	-
Duke-2-E	1.26	-	-	-
Duke-3-E	-	-	-	-
Duke-4-E	-	-	-	-
Santee-1-E	1.38	-	-	-
Santee-2-E	1.38	-	-	-
Santee-3-E	-	-	-	-
Santee-4-E	-	-	-	-
SCE&G-1-E	2.12	-	-	-
SCE&G-2-E	2.12	-	-	-
SCE&G-3-E	-	-	-	-
SCE&G-4-E	-	-	-	-
Pump-1-A	-	-	-	-
Pump-2	-	-	-	-
Regulation-1	-	-	-	0.05
Replacement-1	-	-	-	-

The referenced repayment studies are available for examination at 1166 Athens Tech Road, Elberton, Georgia 30635-6711. Proposed Rate Schedules SOCO-1-E, SOCO-2-E, SOCO-3-E, SOCO-4-E, ALA-1-N, MISS-1-N, Duke-1-E, Duke-2-E, Duke-3-E, Duke-4-E, Santee-1-E, Santee-2-E, Santee-3-E, Santee-4-E, SCE&G-1-E, SCE&G-2-E, SCE&G-3-E, SCE&G-4-E, Pump-1-A, Pump-2, Regulation-1, and Replacement-1 are also available.

Dated: February 29, 2012

Kenneth E. Legg
Administrator

[FR Doc. 2012-5511 Filed 03/06/2012 at 8:45 am; Publication Date: 03/07/2012]