



## 6450-01-P

### DEPARTMENT OF ENERGY

#### Western Area Power Administration

#### Central Arizona Project - Rate Order No. WAPA-193

**AGENCY:** Western Area Power Administration, Department of Energy (DOE).

**ACTION:** Notice of proposed extension of transmission service formula rates.

**SUMMARY:** Western Area Power Administration (WAPA) proposes to extend its existing formula rates for transmission service on the Central Arizona Project (CAP) through December 31, 2025. The proposed formula rates are unchanged from the existing formula transmission service rates, under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 that expire on December 31, 2020.

**DATES:** A consultation and comment period will begin [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*] and end [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. WAPA will accept written comments any time during the consultation and comment period.

**ADDRESSES:** Written comments and requests to be informed of Federal Energy Regulatory Commission (FERC) actions concerning the proposed transmission service rate extension submitted by WAPA to FERC should be sent to: Ms. Tracey LeBeau, Regional Manager, Desert Southwest Region, Western Area Power Administration, P.O. Box 6457, Phoenix, Arizona 85005-6457, or email: [dswpwrmrk@wapa.gov](mailto:dswpwrmrk@wapa.gov). WAPA will post information about the proposed transmission rate extension and written comments

received to its website at: <https://www.wapa.gov/regions/DSW/Rates/Pages/central-arizona-rates.aspx>.

**FOR FURTHER INFORMATION CONTACT:** Ms. Tina Ramsey, Rates Manager, Desert Southwest Customer Service Region, Western Area Power Administration, (602) 605-2565 or e-mail: [dswpwrmrk@wapa.gov](mailto:dswpwrmrk@wapa.gov).

**SUPPLEMENTARY INFORMATION:** On January 27, 2020, FERC approved and confirmed Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 for the period January 1, 2016 through December 31, 2020.<sup>1</sup> Previously, in Rate Order No. WAPA-172 issued on December 21, 2015, the Deputy Secretary of Energy approved and placed these rate schedules into effect on an interim basis from January 1, 2016, through December 31, 2020.<sup>2</sup> In accordance with 10 CFR 903.23(a),<sup>3</sup> WAPA is proposing to extend the existing CAP transmission service formula rates under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 through December 31, 2025.

Extending these rate schedules through December 31, 2025, will provide WAPA and its customers time to evaluate the potential benefits of combining transmission service rates on Federal projects located within WAPA's Colorado River Storage Project Management Center (CRSP) and Desert Southwest Region (DSW). Ongoing efforts made towards combining transmission rates, which up to this time have been solely focused within DSW, have been expanded to include CRSP transmission system rates. Combining rates may lead to more efficient use of Federal transmission systems,

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<sup>1</sup> Order Confirming and Approving Rate Schedules on a Final Basis, FERC Docket No. EF19-6-000, 170 FERC ¶ 62,055 (2020).

<sup>2</sup> 80 FR 81310 (Dec. 29, 2015).

<sup>3</sup> 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

diversify the customers who use those systems, and be financially advantageous. If, after a thorough evaluation, WAPA determines that combining transmission service rates will produce material benefits, it would initiate a public process before making a decision to combine the rates.

The existing formula rates provide sufficient revenue to pay all annual costs including interest expense and repay investment within the allowable period consistent with the cost recovery criteria set forth in DOE Order RA 6120.2.

#### Legal Authority

By Delegation Order No. 00-037.00B, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to WAPA's Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, or to remand or disapprove such rates, to FERC. By Delegation Order No. 00-002.00S, effective January 15, 2020, the Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary of Energy. By Redelegation Order No. 00-002.10E, effective February 14, 2020, the Under Secretary of Energy further delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Assistant Secretary for Electricity.

In accordance with 10 CFR 903.23(a), WAPA has determined that it is not necessary to hold public information or public comment forums for this rate action but is initiating a 30-day consultation and comment period to give the public an opportunity to comment on

the proposed extension. WAPA will review and consider all timely comments at the conclusion of the consultation and comment period and make adjustments to the proposal as appropriate.

#### Signing Authority

This document of the Department of Energy was signed on June 22, 2020, by Mark A. Gabriel, Administrator, Western Area Power Administration, pursuant to delegated authority from the Secretary of Energy. That document, with the original signature and date, is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon its publication in the *Federal Register*.

Signed in Washington, DC, on June 23, 2020.

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**Treena V. Garrett,**  
*Federal Register Liaison Officer,*  
*U.S. Department of Energy.*

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