



## 6450-01-P

### DEPARTMENT OF ENERGY

#### Western Area Power Administration

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

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Notice of rate order extending Central Arizona Project transmission service formula rates.

**SUMMARY:** The extension of existing Central Arizona Project (CAP) transmission service formula rates has been confirmed, approved, and placed into effect on an interim basis. The existing formula rates under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 were set to expire on December 31, 2020. This rate extension, which makes no change to the existing formula rates, extends them through December 31, 2025.

**DATES:** The extended formula rates under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 will be placed into effect on an interim basis on January 1, 2021.

**FOR FURTHER INFORMATION CONTACT:** Tracey A. LeBeau, Regional Manager, Desert Southwest Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, telephone (602) 605-2525, or email: [dswpwrmrk@wapa.gov](mailto:dswpwrmrk@wapa.gov); or Tina Ramsey, Rates Manager, Desert Southwest Region, Western Area Power Administration, telephone (602) 605-2565, or email: [ramsey@wapa.gov](mailto:ramsey@wapa.gov).

#### SUPPLEMENTARY INFORMATION:

##### 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 the Western Area Power

Administration's (WAPA) 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 on a final basis, remand, or disapprove such rates to the Federal Energy Regulatory Commission (FERC). In 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. By Redelegation Order No. 00-002.10-05, effective July 8, 2020, the Assistant Secretary for Electricity further delegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This extension is issued under Redelegation Order No. 00-002.10-05 and the Department of Energy's (DOE) rate extension procedures set forth at 10 CFR 903.23(a).<sup>1</sup>

Following DOE's review of WAPA's proposal, I hereby confirm, approve, and place Rate Order No. WAPA-193 into effect on an interim basis. This extends, without adjustment, existing Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 through December 31, 2025. WAPA will submit Rate Order No. WAPA-193 and the extended rate schedules to FERC for confirmation and approval on a final basis.

#### **Determination Under Executive Order 12866**

WAPA has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by the Office of Management and Budget is required.

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<sup>1</sup> 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

## **Signing Authority**

This document of the Department of Energy was signed on September 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 publication in the *Federal Register*.

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

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

**DEPARTMENT OF ENERGY  
ADMINISTRATOR, WESTERN AREA POWER ADMINISTRATION**

In the Matter of: )  
 )  
Western Area Power Administration )  
Extension of ) Rate Order No. WAPA-193  
Central Arizona Project )  
Transmission Service Formula Rates )

**ORDER CONFIRMING, APPROVING, AND PLACING THE TRANSMISSION SERVICE  
FORMULA RATES FOR THE CENTRAL ARIZONA PROJECT INTO EFFECT ON AN  
INTERIM BASIS**

The transmission service formula rates in Rate Order No. WAPA-193 are established following section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152).<sup>2</sup>

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 the Western Area Power Administration’s (WAPA) Administrator; (2) the authority to confirm, approve, and place into effect such rates on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve on a final basis, remand, or disapprove such rates to the Federal Energy Regulatory Commission (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. By Redelegation Order No. 00-002.10-05, effective July 8,

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<sup>2</sup> This Act transferred to, and vested in, the Secretary of Energy the power marketing functions of the Secretary of the Department of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)) and section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts that specifically apply to the projects involved.

2020, the Assistant Secretary for Electricity further delegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This extension is issued under Redefinition Order No. 00-002.10-05 and DOE's rate extension procedures set forth at 10 CFR 903.23(a).<sup>3</sup>

## **BACKGROUND**

On January 27, 2020, FERC approved and confirmed Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 under Rate Order No. WAPA-172 on a final basis for a 5-year period beginning January 1, 2016 and ending December 31, 2020.<sup>4</sup> These rate schedules apply to the Central Arizona Project transmission service formula rates. The existing transmission service formula rates provide adequate revenue to pay all annual costs, including interest expense, and to repay required investments within allowable time periods. This ensures repayment within the cost recovery criteria set forth in DOE Order RA 6120.2.

## **DISCUSSION**

In accordance with 10 CFR 903.23(a), WAPA filed a notice in the *Federal Register* on June 26, 2020, proposing to extend, without adjustment, Rate Schedules CAP-FT3, CAP-NFT,3 and CAP-NITS3 under Rate Order No. WAPA-193.<sup>5</sup> WAPA determined it was not necessary to hold public information or public comment forums on the proposed formula rate extension, but provided a 30-day consultation and comment period to give the public an opportunity to comment on the proposed extension. The consultation and comment period ended on July 27,

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

<sup>4</sup> Order Confirming and Approving Rate Schedules on a Final Basis, FERC Docket No. EF19-6-000, 170 FERC ¶ 62,055 (2020).

<sup>5</sup> 85 FR 38368 (June 26, 2020).

2020, and WAPA received no comments on the proposed transmission service formula rate extension.

**Submission to the Federal Energy Regulatory Commission**

The provisional transmission service formula rates herein confirmed, approved, and placed into effect on an interim basis, together with supporting documents, will be submitted to FERC for confirmation and final approval.

## ORDER

In view of the above and under the authority delegated to me, I hereby confirm, approve, and place into effect on an interim basis, Rate Order No. WAPA-193, which extends the existing transmission service formula rates for the Central Arizona Project under Rate Schedules CAP-FT3, CAP-NFT3, and CAP-NITS3 through December 31, 2025. The rates will remain in effect on an interim basis until: (1) FERC confirms and approves this extension on a final basis; (2) subsequent rates are confirmed and approved; or (3) such rates are superseded.

Signed in Lakewood, CO, on September 22, 2020.

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Mark A. Gabriel  
Administrator

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