



## DEPARTMENT OF ENERGY

### Southwestern Power Administration

#### Robert D. Willis Hydropower Project Rate Schedule

**AGENCY:** Southwestern Power Administration, DOE.

**ACTION:** Notice of extension of Robert D. Willis Hydropower Project rate schedule.

**SUMMARY:** The Administrator, Southwestern Power Administration (Southwestern) has approved and placed into effect on an interim basis Rate Order No. SWPA-79, which extends the following existing Southwestern Robert D. Willis Hydropower Project rate: *Rate Schedule RDW-15, Wholesale Rates for Hydro Power and Energy*. This is an interim rate action effective October 1, 2021, extending for a period of two years through September 30, 2023.

**DATES:** The effective period for the rate schedule specified in Rate Order No. SWPA-79 is October 1, 2021, through September 30, 2023.

**FOR FURTHER INFORMATION CONTACT:** Ms. Fritha Ohlson, Senior Vice President and Chief Operating Officer, Office of Corporate Operations, Southwestern Power Administration, U.S. Department of Energy, One West Third Street, Tulsa, Oklahoma 74103, (918) 595-6684 or email: [fritha.ohlson@swpa.gov](mailto:fritha.ohlson@swpa.gov).

**SUPPLEMENTARY INFORMATION:** Rate Order No. SWPA-79 is approved and placed into effect on an interim basis for the period October 1, 2021, through September 30, 2023, for the following Southwestern Robert D. Willis Hydropower Project (Robert D. Willis) rate schedule:

*Rate Schedule RDW-15, Wholesale Rates for Hydro Power and Energy*

#### Decision Rationale

The Southwestern Administrator completed an annual review of the continuing adequacy of the existing rate schedule for Robert D. Willis. This review, as presented in the 2021 Robert D. Willis Power Repayment Studies (PRSs), indicated the need for a 1.0 percent revenue

increase to continue to satisfy cost recovery criteria. It is Southwestern practice for the Administrator to defer, on a case-by-case basis, revenue adjustments for an isolated project if such adjustments are within plus or minus five percent of the revenue estimated from the current rate schedule. The deferral of a revenue adjustment (rate change) provides for rate stability and savings on the administrative cost of implementation. The Administrator determined it to be prudent to defer the increase and allow the current rate schedule, which is set to expire September 30, 2021, to remain in effect.

To ensure that Southwestern has a rate schedule in effect for collection of revenue in order to meet its repayment obligations, the Administrator has approved and placed into effect a two-year extension of the Robert D. Willis rate schedule for the period October 1, 2021, through September 30, 2023.

The Administrator followed part 903, subpart A of title 10 of the Code of Federal Regulations (CFR), “Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions” for the extension to the rate schedule. The public was informed by notice published in the *Federal Register* (86 FR 31500 (June 14, 2021)) of the proposed extension of the rate schedule and of the opportunity to provide written comments for a period of 30 days ending July 14, 2021. No comments were received.

#### 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 Southwestern 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. S1-DEL-S4-2021, effective February 25, 2021, the Acting Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Science (and Energy). By Redefinition Order No. S4-DEL-OE1-

2021, effective March 25, 2021, the Acting Under Secretary for Science (and Energy) re delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Assistant Secretary for Electricity. And by Redefinition Order No. 00-002.10-04, effective July 8, 2020, the Assistant Secretary for Electricity further re delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Southwestern Administrator. This re delegation order, despite predating the February 2021 delegation and March 2021 re delegations, remains valid. By these delegations, and in accordance with 10 CFR 903.22(h) and 10 CFR 903.23(a), as amended (84 FR 5347, 5350 (Feb. 21, 2019)), the Administrator may approve and extend, on an interim basis, rates previously confirmed and approved by FERC beyond the period specified by FERC.

#### Environmental Impact

Southwestern previously determined that the rate change action, placed into effect on January 1, 2016 for Robert D. Willis fit within the class of categorically excluded actions as listed in Appendix B to Subpart D of 10 CFR part 1021, Implementing Procedures and Guidelines of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321-4347): categorical exclusions applicable to B4.3: electric power marketing rate changes, which does not require preparation of either an environmental impact statement (EIS) or an environmental assessment (EA). On May 27, 2021, Southwestern determined that categorical exclusion B4.3 applies to the current action.

#### Determination Under Executive Order 12866

Southwestern 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.

**UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
ADMINISTRATOR, SOUTHWESTERN POWER ADMINISTRATION**

**In the matter of:**

**Southwestern Power Administration  
Robert D. Willis Hydropower Project Rate Schedule**

**Rate Order  
No. SWPA-79**

**ORDER APPROVING EXTENSION OF RATE SCHEDULE  
ON AN INTERIM BASIS  
( August 30, 2021 )**

Pursuant to Sections 301(b) and 302(a) of the Department of Energy Organization Act, 42 U.S.C. 7151(b) and 7152(a), the functions of the Secretary of the Interior and the Federal Power Commission under Section 5 of the Flood Control Act of 1944, 16 U.S.C. 825s, relating to the Southwestern Power Administration (Southwestern), were transferred to and vested in the Secretary of Energy. 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 Southwestern 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 the Federal Energy Regulatory Commission (FERC). By Delegation Order No. S1-DEL-S4-2021, effective February 25, 2021, the Acting Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Science (and Energy). By Redelegation Order No. S4-DEL-OE1-2021, effective March 25, 2021, the Acting Under Secretary for Science (and Energy) redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Assistant Secretary for Electricity. And by Redelegation Order No. 00-002.10-04, effective July 8, 2020, the Assistant Secretary for Electricity further redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Southwestern Administrator. This redelegation order, despite predating the February 2021 delegation and March 2021 redelegation, remains valid. By

these delegations, and in accordance with 10 CFR 903.22(h) and 10 CFR 903.23(a), as amended (84 FR 5347, 5350 (Feb. 21, 2019)), the Southwestern Administrator may approve and extend, on an interim basis, rates previously confirmed and approved by FERC beyond the period specified by FERC. Pursuant to that delegated authority, the Southwestern Administrator has issued this interim rate order.

## **BACKGROUND**

The following rate schedule for the Robert D. Willis Hydropower Project (Robert D. Willis) was confirmed and approved on a final basis by FERC on June 15, 2016, in Docket No. EF16-1-000 (155 FERC ¶ 62,213), for the period January 1, 2016, through September 30, 2019.

### Rate Schedule RDW-15, Wholesale Rates for Hydro Power and Energy

Since initial FERC approval, the Assistant Secretary for Electricity extended the Robert D. Willis rate schedule RDW-15 for a period of two years, from October 1, 2019, through September 30, 2021, in Rate Order No. SWPA-76.

## **DISCUSSION**

The existing Robert D. Willis rate schedule is based on the Southwestern 2015 power repayment studies (PRs). PRs have been completed for Robert D. Willis, an isolated project, each year since approval of the existing rate schedule. Since 2015, subsequent PRs have indicated the need for a minimal rate increase, all within the plus or minus five percent isolated project rate adjustment threshold practice established by the Administrator on September 8, 2003. Therefore, the Administrator deferred in the best interest of the government.

However, the existing rate schedule is set to expire on September 30, 2021. Consequently, Southwestern proposed to extend the existing rate schedule for a two-year period ending September 30, 2023, on an interim basis under the implementation authorities noted in 10 CFR 903.22(h) and 10 CFR 903.23(a).

Southwestern followed 10 CFR part 903, “Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions” for the proposed extension of the rate

schedule. An opportunity for customers and other interested members of the public to review and comment on the proposed extension of the rate schedule was announced by notice published in the *Federal Register* on June 14, 2021 (86 FR 31500), with written comments due by July 14, 2021.

### **COMMENTS AND RESPONSES**

Southwestern received no comments regarding the extension of the rate schedule.

### **AVAILABILITY OF INFORMATION**

Information regarding the extension of the rate schedule is available for public review in the offices of Southwestern Power Administration, Williams Tower I, One West Third Street, Tulsa, Oklahoma 74103. The rate schedule is available on the Southwestern web site at [www.swpa.gov](http://www.swpa.gov).

### **ADMINISTRATION'S CERTIFICATION**

The 2015 Robert D. Willis PRSs indicated that the current rate schedule will repay all costs, including amortization of the power investment consistent with the provisions of Department of Energy Order No. RA 6120.2. The 2021 Robert D. Willis PRSs indicated the need for an annual revenue increase of 1.0 percent. However, the 2021 rate adjustment falls within the Southwestern established plus or minus five percent isolated project rate adjustment threshold practice and was deferred.

The Southwestern 2022 PRSs will determine the appropriate level of revenues needed for the next rate period. In accordance with Delegation Order No. 00-037.00B, effective November 19, 2016, and Section 5 of the Flood Control Act of 1944, the Administrator has determined that the existing rate schedule is the lowest possible rate consistent with sound business principles, and the extension is consistent with applicable law.

### **ENVIRONMENT**

Southwestern previously determined that the rate change actions, placed into effect on January 1, 2016 for Robert D. Willis, fit within the class of categorically excluded actions as

listed in Appendix B to Subpart D of 10 CFR part 1021, Implementing Procedures and Guidelines of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321-4347): categorical exclusions applicable to B4.3: electric power marketing rate changes, which does not require preparation of either an environmental impact statement (EIS) or an environmental assessment (EA). On May 27, 2021, Southwestern determined that categorical exclusion B4.3 applies to the current action.

### **ADMINISTRATIVE PROCEDURES**

Under the Administrative Procedure Act (5 U.S.C. 553(d)), publication or service of a substantive rule must be made not less than 30 days before its effective date, except (1) a substantive rule that grants or recognizes an exemption or relieves a restriction; (2) interpretative rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule. The Administrator finds good cause to waive the 30-day delay in the effective date of this action as unnecessary for the following reasons: (1) this is an extension of rates previously approved by FERC, pursuant to 10 CFR 903.23(a); (2) there are no substantive changes, as the existing rate schedules and anticipated revenues remain the same; and (3) the Administrator provided notice and opportunity for public comment more than 30 days prior to the effective date of the rate extension and received no comments.

### **ORDER**

In view of the foregoing, and pursuant to delegated authority from the Secretary of Energy, I hereby extend on an interim basis, for the period of two years, effective October 1, 2021 through September 30, 2023, the current Robert D. Willis rate schedule:

Rate Schedule RDW-15, Wholesale Rates for Hydro Power and Energy

### **Signing Authority**

This document of the Department of Energy was signed on August 30, 2021, by Mike Wech, Administrator for Southwestern 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 DOE. 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 2, 2021

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

**UNITED STATES DEPARTMENT OF ENERGY  
SOUTHWESTERN POWER ADMINISTRATION  
RATE SCHEDULE RDW-15<sup>1\*\*</sup>  
WHOLESALE RATES FOR HYDRO POWER AND ENERGY  
SOLD TO SAM RAYBURN MUNICIPAL POWER AGENCY  
(CONTRACT NO. DE-PM75-85SW00117)**



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<sup>1</sup> Supersedes Rate Schedule RDW-13

<sup>\*\*</sup> Extended through September 30, 2023, by approval of Rate Order No. SWPA-79 by the Administrator, Southwestern Power Administration.

**Effective:**

During the period January 1, 2016, through September 30, 2023,\*\* in accordance with the Federal Energy Regulatory Commission (FERC) order issued in Docket No. EF16-1-000 (June 15, 2016), extension approved by the Assistant Secretary for Electricity in Rate Order No. 76 (Sept. 22, 2019), and extension approved by the Administrator in Rate Order No. 79 (August 30, 2021).

**Applicable:**

To the power and energy purchased by Sam Rayburn Municipal Power Agency (SRMPA) from the Southwestern Power Administration (Southwestern) under the terms and conditions of the Power Sales Contract dated June 28, 1985, as amended, for the sale of all Hydro Power and Energy generated at the Robert Douglas Willis Hydropower Project (Robert D. Willis) (formerly designated as Town Bluff).

**Character and Conditions of Service:**

Three-phase, alternating current, delivered at approximately 60 Hertz, at the nominal voltage, at the point of delivery, and in such quantities as are specified by contract.

## 1. Wholesale Rates, Terms, and Conditions for Hydro Power and Energy

- 1.1. These rates shall be applicable regardless of the quantity of Hydro Power and Energy available or delivered to SRMPA; provided, however, that if an Uncontrollable Force prevents utilization of both of the project's power generating units for an entire billing period, and if during such billing period water releases were being made which otherwise would have been used to generate Hydro Power and Energy, then Southwestern shall, upon request by SRMPA, suspend billing for subsequent billing periods, until such time as at least one of the project's generating units is again available.
- 1.2. The term "Uncontrollable Force," as used herein, shall mean any force which is not within the control of the party affected, including, but not limited to, failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, acts of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.

### 1.3. Hydro Power Rates, Term, and Conditions

- 1.3.1. Monthly Charge for the Period of January 1, 2016, through December 31, 2016

**\$102,681 per month (\$1,232,166 per year)** for Robert D. Willis Hydro Power and Energy purchased by SRMPA from January 1, 2016, through December 31, 2016

- 1.3.2. Monthly Charge for the Period of January 1, 2017, through September 30, 2023

**\$106,903 per month (\$1,282,836 per year)** for Robert D. Willis Hydro Power and Energy purchased by SRMPA from January 1, 2017, through September 30, 2023.