



DEPARTMENT OF ENERGY

Western Area Power Administration

Central Arizona Project, Colorado River Storage Project, Loveland Area Projects, Pacific Northwest-Pacific Southwest Intertie Project, and Parker-Davis Project - Rate Order No. WAPA-215

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of proposed extension of the formula rates for use under WestConnect Regional Non-Firm Transmission Service.

SUMMARY: The Colorado River Storage Project Management Center (CRSP MC), Desert Southwest Region (DSW), and Rocky Mountain Region (RM) of the Western Area Power Administration (WAPA) propose extending the existing formula rates under Rate Schedule WC-8, without any changes, for on-peak and off-peak non-firm transmission service provided under the WestConnect Point-to-Point Regional Transmission Service Participation Agreement (WestConnect PA) through September 30, 2026. The existing formula rates expire on May 31, 2024.

DATES: A consultation and comment period will begin [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*] and end [INSERT DATE 14 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Written comments will be accepted 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 extension to be submitted by WAPA to FERC for approval should be sent to: Barton V. Barnhart, Regional Manager, Rocky Mountain Region, Western Area Power Administration, 5555 East Crossroads Boulevard, Loveland, CO 80538-8986, or e-mail:

laptransadj@wapa.gov. Information about the proposed formula rate extension and

written comments will be posted to WAPA's website at: www.wapa.gov/about-wapa/regions/dsw/power-marketing/westconnect.

FOR FURTHER INFORMATION CONTACT: Tamala D. Gheller, CRSP Rates Manager, (970) 702-8826 or email: gheller@wapa.gov; Tina Ramsey, DSW Rates Manager, (602) 605-2525 or email: dswpwrmrk@wapa.gov; or Sheila D. Cook, RM Rates Manager, (970) 685-9562 or email: laptransadj@wapa.gov.

SUPPLEMENTARY INFORMATION: WestConnect consists of a group of electric utilities which provide hourly, non-firm transmission service in the Western Interconnection to eliminate pancaking of transmission charges, which is the practice of charging a transmission customer separately for the use of each utility's transmission system. The WestConnect membership, including WAPA and investor-owned and consumer-owned utilities, encompasses an interconnected electrical grid stretching from western Nebraska to southern California and from Wyoming to the United States-Mexico border.

On December 15, 2014, FERC confirmed and approved Rate Schedule WC-8, under Rate Order No. WAPA-163, effective June 1, 2014, through May 31, 2019.¹ On June 20, 2019, FERC confirmed and approved the extension of Rate Schedule WC-8, under Rate Order No. WAPA-187, effective June 1, 2019, through May 31, 2024.²

In accordance with 10 CFR 903.23(a),³ CRSP MC, DSW, and RM are proposing to extend the existing formula rates under Rate Schedule WC-8 for the period of June 1, 2024, through September 30, 2026. The existing formula rates are viewable on WAPA's website at: www.wapa.gov/about-wapa/regions/dsw/power-marketing/westconnect. The existing formula rates provide sufficient revenue to pay annual costs, including interest

¹ *Order Confirming and Approving Rate Schedule on a Final Basis*, FERC Docket No. EF14-8-000, 149 FERC ¶62,196 (2014).

² *Order Confirming and Approving Rate Schedule on a Final Basis*, FERC Docket No. EF14-8-001, 167 FERC ¶62,188 (2019).

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

expense, and repay investment within the allowable period consistent with the cost recovery criteria set forth in Department of Energy (DOE) Order RA 6120.2.

This extension will allow CRSP MC and RM to proceed with final negotiations for membership in the Southwest Power Pool Regional Transmission Organization (SPP RTO), with potential membership beginning in or around April 2026, after which CRSP MC and RM would no longer provide this transmission service. DSW would evaluate whether it will continue selling this service beyond that date, as will CRSP MC and RM if their proposed integration into the SPP RTO is delayed or is not successful.

In accordance with 10 CFR 903.23(a), CRSP MC, DSW, and RM have determined it is not necessary to hold a public information or public comment forum for this action but are initiating a 14--day consultation and comment period to give the public an opportunity to comment on the proposed extension. CRSP MC, DSW, and RM will review and consider all timely public comments at the conclusion of the consultation and comment period and adjust the proposal as appropriate.

Legal Authority

By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the 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, and place into effect on a final basis, or to remand or disapprove such rates, to FERC. By Delegation Order No. S1-DEL-S3-2023, effective April 10, 2023, 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 for Infrastructure. By Redefinition Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redefined the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator.

Ratemaking Procedure Requirements

Environmental Compliance

Categorical exclusion determinations were previously issued for the underlying rates of the transmission projects included in the WestConnect PA under the following categorical exclusion listed in appendix B to subpart D of 10 CFR part 1021: B4.3 (Electric power marketing rate changes).⁴ Those categorical exclusion determinations are also applicable to this rate action. Copies of the categorical exclusion determinations are available on WAPA’s website. For CRSP, the website is: *www.wapa.gov/about-wapa/regions/crsp/about-crsp/environment*. Look for file titled “SLCA/IP Rate Determination - WAPA-206 – (CX Determination 2024-2028)”. For DSW, the website is: *www.wapa.gov/about-wapa/regions/dsw/environment*. Look in the “2023” folder for file titled, “Rate Order WAPA-209”. For RM, the website is: *www.wapa.gov/about-wapa/regions/rm/rm-environment/cx2016*. Look for file titled, “2016-077 Proposed Formula Rate Adjustment for Transmission Ancillary Services and Sale of Surplus”.

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.

Signing Authority

This document of the Department of Energy was signed on January 12, 2024, by Tracey A. LeBeau, 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

⁴ The determination was done in compliance with the National Environmental Policy Act (NEPA) of 1969, as amended, 42 U.S.C. 4321-4347, the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500-1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021).

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 January 16, 2024.

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

[FR Doc. 2024-01012 Filed: 1/18/2024 8:45 am; Publication Date: 1/19/2024]