



DEPARTMENT OF ENERGY

Western Area Power Administration

Falcon and Amistad Projects - Rate Order No. WAPA-216

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of proposed extension of firm power formula rate for the Falcon and Amistad Projects.

SUMMARY: The Colorado River Storage Project Management Center (CRSP MC) of the Western Area Power Administration (WAPA) proposes to extend the existing firm power formula rate, without any changes, for the Falcon and Amistad Projects (Projects) through June 7, 2029. The existing firm power formula rate expires on June 7, 2024.

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*]. The CRSP MC 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 extension submitted by WAPA to FERC for approval should be sent to: Rodney Bailey, CRSP Manager, Colorado River Storage Project Management Center, Western Area Power Administration, 1800 South Rio Grande Avenue, Montrose, CO 81401, or email:

CRSPMC-rateadj@wapa.gov. The CRSP MC will post information about the proposed formula rate extension and written comments received to its website at:

www.wapa.gov/about-wapa/about-wapa/regions/crsp/rates/rate-order-216.

FOR FURTHER INFORMATION CONTACT: Tamala Gheller, Rates Manager, Colorado River Storage Project Management Center, Western Area Power Administration, 970-240-6545, or email: *CRSPMC-rate-adj@wapa.gov*.

SUPPLEMENTARY INFORMATION: The Falcon and Amistad Dams are features of international water storage projects located on the Rio Grande River between Texas and Mexico. The portion of the dams located in the United States is operated by the United States International Boundary and Water Commission (USIBWC). Under arrangements with the United States Department of State and USIBWC, WAPA is the Federal agency responsible for marketing and selling the electricity generated at these facilities. WAPA markets the power generated at the Falcon and Amistad Dams as a combined product to only one customer: South Texas Electric Cooperative. The cost of the power is determined by a formula rate. This formula rate was initially approved by the Federal Power Commission (FPC), the predecessor to FERC, in FPC Docket No. E-9566 on August 12, 1977 (59 FPC 1653), for a 5-year period effective on the date of initial operation of Amistad Power Plant, June 8, 1983.¹ The formula rate has been subsequently extended and re-approved without change. The current formula rate was approved in 2009² and extended in 2014 and 2019.

Most recently, on June 20, 2019, FERC approved and confirmed Rate Schedule Falcon and Amistad Projects' Firm Power Formula Rate under Rate Order No. WAPA-186 for a 5-year period through June 7, 2024.³ This schedule applies to firm energy sales. In accordance with 10 CFR 903.23(a),⁴ the CRSP MC is proposing to extend the existing formula rate under Rate Schedule Falcon and Amistad Projects' Firm Power Formula Rate for the period of June 8, 2024, through June 7, 2029. The existing formula rate is viewable on the CRSP MC website at: www.wapa.gov/about-wapa/regions/crsp/rates/amistad-history. The formula rate calculates the amount WAPA

¹ A 5-year rate extension of this same formula rate through June 7, 1993, was approved by FERC on June 20, 1988, at 44 FERC ¶ 62,058. Subsequent 5-year extensions of the same formula rate have been approved by FERC; the most recent approval was on June 20, 2019, in Docket No. EF19-3-000, which approved the same formula rate through June 7, 2024.

² *Order Confirming and Approving Rate Schedule on a Final Basis*, FERC Docket No. EF09-5101-000, 129 FERC ¶ 62,206 (2009).

³ *Order Confirming and Approving Rate Schedule on a Final Basis*, FERC Docket No. EF19-3-000, 167 FERC ¶ 62,187 (2019).

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

must annually repay to the Department of the Treasury for the United States' investment in the Falcon and Amistad hydroelectric facilities, with interest, as well as associated operation, maintenance, and administrative costs. This annual installment is collected in 12 monthly payments and is independent of the amount of available generation. The existing formula rate provides 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 Department of Energy (DOE) Order RA 6120.2.

In accordance with 10 CFR 903.23(a), the CRSP MC has determined 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. The CRSP MC 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 Redelegation Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator.

RATEMAKING PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA is in the process of determining whether an environmental assessment or an environmental impact statement should be prepared or if this action can be categorically excluded from those requirements.⁵

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.

⁵ 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).

Signing Authority

This document of the Department of Energy was signed on January 22, 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 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 23, 2024.

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

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