



## DEPARTMENT OF ENERGY

### Western Area Power Administration

### Sierra Nevada Region Pacific Alternating Current Intertie Point-to-Point

### Transmission Service - Rate Order No. WAPA-211

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

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

**SUMMARY:** The Sierra Nevada Region (SN) of the Western Area Power Administration (WAPA) proposes new long-term formula rates to become effective October 1, 2025, through September 30, 2030 for Pacific Alternating Current Intertie (PACI) Point-to-Point (PTP) transmission services. SN is proposing a cost-based formula rate for Statutory Service and two new equitable formula rates for sale of surplus capacity for non-Statutory Service. SN also proposes to supersede certain formula rates for short-term sales on the PACI, PACI-T4 and PACI-T5, (approved under Delegation Order No. S3-DEL-WAPA1-2023, Section 1.4.B) with these proposed long-term formula rates.

**DATES:** A consultation and comment period will begin [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*] and end [INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. SN will present a detailed explanation of the proposed formula rates and other modifications at a public information forum that will be held on June 18, 2025, at 9:30 a.m. PST to no later than 12:30 p.m. PST. SN will host a public comment forum on June 18, 2025, at 1:30 p.m. PST to no later than 3:30 p.m. PST, or until the last comment is received. The public information forum and the public comment forum will be conducted virtually. Instructions for participating in the forums will be posted on SN's website at least 14 days prior to the public information and comment forums at:

*wapa/regions/sn/sn-rates/Rate-Case-2025-WAPA-211*. SN will accept 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 formula rates submitted by WAPA to FERC for approval should be sent to: Michelle Williams, Regional Manager, Sierra Nevada Region, Western Area Power Administration, 114 Parkshore Drive, Folsom, California 95630, or email: *SNR-RateCase@wapa.gov*. SN will post information about the proposed formula rates and written comments received to its website at: *www.wapa.gov/about-wapa/regions/sn/sn-rates/Rate-Case-2025-WAPA-211*.

**FOR FURTHER INFORMATION CONTACT:** Autumn Wolfe, Rates Manager, Sierra Nevada Region, Western Area Power Administration, (916) 353-4686 or email: *SNR-RateCase@wapa.gov*.

**SUPPLEMENTARY INFORMATION:** SN is proposing a cost-based formula rate for Statutory Service and two new equitable formula rates for sale of surplus capacity utilized for non-Statutory Service.

### **Authorizing Legislation for Equitable Rates**

PACI authorizing legislation (16 U.S.C. 837e) provides transmission capacity not required for the transmission of Federal energy shall be at equitable rates determined by the Secretary of Energy.

### **Proposed PACI Formula Rate Schedules**

The proposed cost-based formula rate would provide sufficient revenue to recover annual operation, maintenance, replacement expenses, interest expense, and capital repayment requirements while ensuring repayment of the project within the cost recovery criteria set forth in Department of Energy (DOE) Order RA 6120.2. The proposed equitable formula rates would aid and benefit the Central Valley Project (CVP) by

offsetting project power costs. For more information on the proposed rates, please see the customer rate brochure located on SN's website at: [www.wapa.gov/about-wapa/regions/sn/sn-rates/Pages/Rate-Case-2025-WAPA-211](http://www.wapa.gov/about-wapa/regions/sn/sn-rates/Pages/Rate-Case-2025-WAPA-211).

### **Formula Rate Schedule PACI-C1**

Formula Rate Schedule PACI-C1 is the proposed rate for transmission service to move Federal power on the PACI transmission line for Statutory Service (*i.e.*, Firm Electric Service, Priority Use Power, and Project Use Service).

SN prepares a detailed cost-of-service study to determine the costs, by project, that support the transfer capability of each transmission system and the cost that supports the generation capability of the CVP system. Generally, the costs allocated through the cost-of-service study for the transmission systems include operation and maintenance, interest, and depreciation expenses. SN's costs for scheduling, system control, and dispatch service associated with PACI transmission service are included and recovered through the transmission systems' revenue requirement. SN proposes to charge a cost-based formula rate.

### **Formula Rate Schedule PACI-W1**

Formula Rate Schedule for PACI-W1 is the proposed rate for surplus PACI transmission used for non-Statutory Service that is delivered and/or received between Malin to Round Mountain and/or Malin to Cottonwood Substation located within the Balancing Authority of Northern California Balancing Authority Area (BAA). SN proposes to utilize an equitable formula rate based on the SN California-Oregon Transmission Project transmission formula rate.

### **Formula Rate Schedule PACI-D1**

Formula Rate Schedule PACI-D1 is the proposed rate for surplus PACI transmission used for non-Statutory Service that is delivered from and/or received at Pacific Gas and Electric Company's Default Load Aggregation Point located within the California

Independent System Operator (CAISO) BAA. SN proposes to utilize an equitable formula rate based on SN's cost for wheeling power through the CAISO BAA.

### **Rates For Short Term Sales**

On August 30, 2024, WAPA's Administrator placed into effect on a final basis, rates for short-term sales for PACI transmission service under Rate Schedules PACI-T4 and PACI-T5 to be in effect from October 1, 2024, through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier.

### **Legal Authority**

DOE procedures for public participation in power and transmission rate adjustments are located at (10 CFR part 903). The proposed action is a major rate adjustment, as defined by 10 CFR 903.2(d). In accordance with 10 CFR 903.15(a) and 10 CFR 903.16(a), SN will hold public information and public comment forums for this rate adjustment. SN will review and consider all timely public comments at the conclusion of the consultation and comment period and adjust the proposal as appropriate. Depending on the comments, WAPA proposes for the rates to be approved on an interim basis.

WAPA is establishing the formula rates for PACI in accordance with section 302 of the DOE Organization Act (42 U.S.C. 7152).<sup>1</sup>

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-S3-2024, effective August 30, 2024,

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<sup>1</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 other acts that specifically apply to the project involved.

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.

### **Availability of Information**

All brochures, studies, comments, letters, memorandums, or other documents that SN initiates or uses to develop the proposed formula rates are available for inspection and copying at the Sierra Nevada Region, located at 114 Parkshore Drive, Folsom, California. Many of these documents and supporting information are also available on SN's website at: [www.wapa.gov/about-wapa/regions/sn/sn-rates/Pages/Rate-Case-2025-WAPA-211](http://www.wapa.gov/about-wapa/regions/sn/sn-rates/Pages/Rate-Case-2025-WAPA-211).

### **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.<sup>2</sup>

#### **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**

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<sup>2</sup> 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 through 1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021).

This document of the Department of Energy was signed on April 4, 2025, 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 April 18, 2025.

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

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