



## DEPARTMENT OF ENERGY

### Southeastern Power Administration

#### Proposed Rate Adjustment, Public Forum, and Opportunities for Public Review and Comment for Cumberland System of Projects

**AGENCY:** Southeastern Power Administration, Department of Energy (DOE).

**ACTION:** Notice of proposed rate.

**SUMMARY:** Southeastern Power Administration (Southeastern or SEPA) proposes to revise existing schedules of rates and charges applicable to the sale of power from the Cumberland System of Projects effective for a 5-year period, from October 1, 2025, through September 30, 2030. Opportunities will be available for interested persons to review the present rates and the proposed rates and supporting studies, to participate in a public forum, and to submit written comments. Southeastern will evaluate all comments received in this process.

**DATES:** Written comments are due on or before **[INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**. A public information and comment forum will be held in-person at Southeastern Power Administration, 1166 Athens Tech Road, Elberton, Georgia at 1 p.m. EDT on June 17, 2025. There will also be an option to attend the forum virtually via Microsoft Teams. Persons desiring to attend the forum should notify Southeastern by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**, so a list of forum participants can be prepared. Persons desiring to speak at the forum should specify this in their notification to Southeastern; others may speak if time permits. Notifications should be submitted by email to [Comments@sepa.doe.gov](mailto:Comments@sepa.doe.gov). If Southeastern has not been notified by close of business on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**, that at least one person intends to be present at the forum, in-person or virtually, the forum may be canceled with no further notice.

**ADDRESSES:** Written comments should be submitted to: Administrator, Southeastern Power Administration, Department of Energy, 1166 Athens Tech Road, Elberton, Georgia, 30635-6711; Email: *Comments@sepa.doe.gov*. The URL and call in information for the public information and comment forum is as follows: *https://bit.ly/CumberlandRateForum2025*; +1 (404) 796-9216, Access Code: 425290255#.

**FOR FURTHER INFORMATION CONTACT:** Alexa Webb, Acting Power Marketing Advisor, Southeastern Power Administration, Department of Energy, 1166 Athens Tech Road, Elberton, Georgia, 30635-6711, (706) 213-3800; Email: *Alexa.Webb@sepa.doe.gov*.

**SUPPLEMENTARY INFORMATION:** The Federal Energy Regulatory Commission (FERC) confirmed and approved on a final basis, Wholesale Power Rate Schedules CBR-1-J, CSI-1-J, CEK-1-J, CM-1-J, CC-1-K, CK-1-J, CTV-1-J, CTVI-1-C, and Replacement-3 applicable to Cumberland System of Projects' power for a period ending September 30, 2025. (FERC Docket No. EF20-6-000 (Nov. 5, 2020)).

**Discussion:** Existing rate schedules are predicated upon a March 2020 repayment study and other supporting data. The annual revenue requirement in this study was \$66,150,000 per year. An updated repayment study, dated March 2025, indicates rates are not adequate to recover cost increases identified and therefore do not meet repayment criteria. The revised repayment study demonstrates an annual revenue requirement increase to \$81,750,000 per year will meet repayment criteria. The increase in the annual revenue requirement is \$15,600,000 per year, or 23.58 percent.

**Proposed Rates:** The rate schedules recover cost from capacity, energy, and additional energy. The revenue requirement is \$81,750,000 per year. The rates would be as follows:

## **Cumberland System Rates**

### **Original Marketing Policy**

#### **Inside TVA Preference Customers**

Capacity and Base Energy:	\$4.484 per kW/Month
Additional Energy:	17.088 mills per kWh

Transmission: Pass-through

**Outside TVA Preference Customers  
(Excluding Customers served through Duke Energy Progress or East Kentucky  
Power Cooperative)**

Capacity and Base Energy: \$4.484 per kW/Month  
Additional Energy: 17.088 mills per kWh  
Transmission: Monthly TVA Transmission Charge  
divided by 545,000

**Customers Served through Duke Energy Progress**

Capacity and Base Energy: \$5.076 per kW/Month  
TVA Transmission: TVA rate at border as  
computed above, adjusted for DEP  
delivery

**East Kentucky Power Cooperative:**

Capacity: \$2.348 per kW/Month  
Energy: 17.088 mills per kWh  
Transmission: Monthly TVA Transmission Charge  
divided by 545,000

The referenced repayment studies are available for examination at 1166 Athens Tech Road, Elberton, Georgia 30635-6711. The Proposed Rate Schedules CBR-1-K, CSI-1-K, CEK-1-K, CM-1-K, CC-1-L, CK-1-K, CTV-1-K, CTVI-1-D, and Replacement-3 are also available.

**True-up Adjustment:** The proposed rate schedules would continue adjustments annually on April 1 of each year, based on transfers of specific power investment to plant-in-service for the preceding Fiscal Year, to the base demand charge and base additional energy charge. The annual adjustment will be, for each increase of \$1,000,000 to specific power plant-in-service, an increase of \$0.003 per kilowatt per month added to the base capacity rate and an increase of 0.013 mills per kilowatt-hour added to the base additional energy rate. Southeastern will give written notice to customers of the amount of the true-up by February 1 of each year.

**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 Southeastern's 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, 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 Redelelegation Order No. S3-DEL-SEPA-2023, effective April 10, 2023, the Under Secretary for Infrastructure redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Administrator, Southeastern.

**Environmental Compliance:** Southeastern 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.

**Determination Under Executive Order 12866:** Southeastern 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 May 12, 2025, by Virgil G. Hobbs III, Administrator for Southeastern 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 May 12, 2025.

**Jennifer Hartzell,**  
*Alternate Federal Register Liaison Officer,*  
*U.S. Department of Energy.*

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