



DEPARTMENT OF ENERGY

Western Area Power Administration

Pick-Sloan Missouri Basin Program--Eastern Division - Rate Order No. WAPA-218

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of rate order concerning transmission and ancillary services formula rates.

SUMMARY: The formula rates for the Upper Great Plains region's (UGP) Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED) transmission and ancillary services for UGP's costs to be recovered under the Southwest Power Pool's (SPP) Open Access Transmission Tariff (Tariff) should UGP decide to expand its participation in SPP in the Western Interconnection, have been confirmed, approved, and placed into effect on an interim basis (Provisional Formula Rates). If UGP expands its participation in SPP, these new formula rates under Rate Schedules WAUGP-ATRR (transmission), WAUGP-DCTIE-IMEU (incremental market efficiency use share), and WAUGP-AS1 (scheduling, system control and dispatch) will supersede the extended formula rates for transmission and ancillary services under Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7, which expire on September 30, 2030.

DATES: The Provisional Formula Rates under Rate Schedules WAUGP-ATRR, WAUGP-DCTIE-IMEU, and WAUGP-AS1 are effective on the first day of the first full billing period beginning upon the later of the following events: (1) when UGP expands its participation in SPP in the Western Interconnection; or (2) the go-live date of the expansion of the SPP Regional Transmission Organization (RTO) into the Western Interconnection (scheduled for April 1, 2026, as of the date of this Rate Order). UGP will provide notification of the effective date of the Provisional Formula Rates on its

Rates and Open Access Same-Time Information System websites. These Provisional Formula Rates will remain in effect through March 31, 2031, pending confirmation and approval by the Federal Energy Regulatory Commission (FERC) on a final basis or until superseded. If UGP does not expand its participation in SPP in the Western Interconnection, these rates will be canceled and the extended formula rates under Rate Order WAPA-217 will remain in effect.

FOR FURTHER INFORMATION CONTACT: Lloyd A. Linke, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Ave. North, 6th Floor, Billings, MT 59101-1266 or Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, (406) 255-2920 or email: cady@wapa.gov.

SUPPLEMENTARY INFORMATION: On September 28, 2020, FERC approved and confirmed Rate Schedules WAUGP-ATRR (transmission), WAUGP-AS1 (scheduling system control, and dispatch), WAUW-AS3 (regulation and frequency response), WAUW-AS4 (energy imbalance), WAUW-AS5 (operating reserve-spinning reserve), WAUW-AS6 (operating reserve-supplemental reserve), and WAUW-AS7 (generator imbalance) under Rate Order No. WAPA-188 on a final basis through September 30, 2025.¹ Western Area Power Administration (WAPA) published a *Federal Register* notice (Notice of Rate Order) on December 20, 2024 (89 FR 104143), extending the existing formula rates for UGP transmission and ancillary services under Rate Order No. WAPA-217 through September 30, 2030.

WAPA published a *Federal Register* notice (Proposed FRN) on December 30, 2024 (89 FR 106476), proposing new formula rates for UGP transmission and ancillary services should UGP decide to expand its participation in SPP in the Western Interconnection. The Proposed FRN also initiated a 90-day public consultation and

¹ *Order Confirming and Approving Rate Schedules on a Final Basis*, FERC Docket Nos. EF20-3-000 and EF20-3-001.

comment period and set forth the date of the virtual public information and public comment forums. Consistent with UGP's current, extended transmission and ancillary services formula rates, UGP will continue to use a formula-based methodology that includes an annual update to the data used in the rate formula calculations in accordance with the Formula Rate Implementation Protocols (Protocols).

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-S3-2024, 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 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. This rate action is issued under Redelegation Order No. S3-DEL-WAPA1-2023 and Department of Energy procedures for public participation in rate adjustments set forth in 10 CFR part 903.²

Following review of UGP's proposal, Rate Order No. WAPA-218, which provides the formula rates for Annual Transmission Revenue Requirement for Transmission Service, Incremental Market Efficiency Use Share, and Scheduling, System Control, and Dispatch Service, is hereby confirmed, approved, and placed into effect on an interim basis.

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

WAPA will submit Rate Order No. WAPA-218 to FERC for confirmation and approval on a final basis.

**DEPARTMENT OF ENERGY
ADMINISTRATOR, WESTERN AREA POWER ADMINISTRATION**

In the Matter of:)
Western Area Power Administration)
Upper Great Plains Region)
Rate Adjustment for the) Rate Order No. WAPA-218
Pick-Sloan Missouri Basin Program--Eastern Division)
Transmission and Ancillary Services Formula Rates)

**ORDER CONFIRMING, APPROVING, AND PLACING THE FORMULA
RATES FOR THE PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN
DIVISION INTO EFFECT ON AN INTERIM BASIS**

The formula rates in Rate Order No. WAPA-218 are established following section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152).¹

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 Western Area Power Administration (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 the Federal Energy Regulatory Commission (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 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. This rate action is issued under Redelegation Order No. S3-DEL-WAPA1-2023 and DOE procedures for public participation in rate adjustments set forth at 10 CFR part 903.²

¹ 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 section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts that specifically apply to the project involved.

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

Acronyms, Terms, and Definitions

As used in this Rate Order, the following acronyms, terms, and definitions apply:

<u>Attachment H:</u>	Attachment H to Southwest Power Pool's (SPP) Open Access Transmission Tariff (Tariff) - Annual Transmission Revenue Requirement (ATRR) for Network Integration Transmission Service.
<u>Balancing Authority (BA):</u>	The responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a designated area, and supports interconnection frequency in real-time.
<u>Balancing Authority Area (BAA):</u>	The collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority and contained in one interconnection. The Balancing Authority maintains load-resource balance within each of these areas. (SPP Tariff at Part 1, Section 1, B Definitions.)
<u>Customer Rate Brochure:</u>	A document prepared for public distribution explaining the rationale and background for the information contained in the Proposed <i>Federal Register</i> notice (FRN) and in this rate order.
<u>DC Tie Access Charge:</u>	A charge on a transmission reservation utilizing a West DC Tie that sinks outside of the Zone where the West DC Tie is located. The Transmission Customer shall be responsible for DC Tie Access Charge determined in accordance with Schedule 14. (SPP Tariff at Part I, Section 1, D Definitions.)
<u>Eastern Interconnection:</u>	A major alternating current power grid in North America. The Eastern Interconnection reaches from Central Canada eastward to the Atlantic coast (excluding Quebec), south to Florida, and back west to the foot of the Rockies (excluding most of Texas). The Eastern Interconnection is tied to the Western Interconnection with six high-voltage direct current power transmission lines (DC Ties).
<u>FRN:</u>	<i>Federal Register</i> notice – a document published in the <i>Federal Register</i> in order for WAPA to provide information of public interest.
<u>FY:</u>	WAPA's Fiscal Year; October 1 to September 30.
<u>IMEU Share:</u>	Incremental Market Efficiency Use Share - The West DC Tie Owners calculation of its Incremental

MEU as demonstrated in Addendum 3 to Attachment AE. (SPP Tariff Attachment AE, Section 2.21.)

<u>Incremental MEU Charge:</u>	Incremental Market Efficiency Use Charge - A market recovery mechanism to compensate West DC Tie Transmission Owners for the expected loss of life of certain West DC Tie facilities due to increased utilization of the West DC Ties by the Integrated Marketplace. (SPP Tariff at Part I, Section 1, I Definitions.)
<u>Integrated Marketplace:</u>	The Day-Ahead Market, the Real-Time Balancing Market, the Transmission Congestion Rights Market and the Reliability Unit Commitment processes. (SPP Tariff Attachment AE at Part 1.1, I Definitions.)
<u>NEPA:</u>	National Environmental Policy Act of 1969, as amended.
<u>OASIS:</u>	Open Access Same-Time Information System-as defined in WAPA's Tariff, the information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.
<u>O&M:</u>	Operation and maintenance expenses.
<u>Provisional Formula Rates:</u>	Formula rates that are confirmed, approved, and placed into effect on an interim basis by the Secretary or his/her designee.
<u>Revenue Requirement:</u>	The revenue required to recover annual expenses (such as O&M, administrative and general expense, interest, and depreciation).
<u>Schedule 1:</u>	Schedule 1 of SPP's Tariff – Scheduling, System Control, and Dispatch Service.
<u>Schedule 9:</u>	Schedule 9 of SPP's Tariff - Network Integration Transmission Service.
<u>Schedule 11:</u>	Schedule 11 of SPP's Tariff - Base Plan Zonal Charge and Region-wide Charge.
<u>Tariff:</u>	Open Access Transmission Tariff, including all schedules or attachments thereto, as amended from time to time and approved by FERC.

WAPA-UGP: United States Department of Energy, Western Area Power Administration (WAPA), Upper Great Plains region. WAPA-UGP is the definition for WAPA's Upper Great Plains region in the SPP Tariff and the definition to be used in the rate schedules.

West DC Ties: A direct current interconnection between the Eastern Interconnection and Western Interconnection for which the DC Tie Access Charge and the Incremental Market Efficiency Use Charge may be applicable. In the Integrated Marketplace, the West DC Ties will be Non-Biddable Locations that will be used in the settlements in the TCR [Transmission Congestion Rights] Markets. The West DC Ties are Miles City, Stegall, or Sidney. (SPP Tariff at Part I, Section 1, W Definitions.)

Western Interconnection: A major alternating current power grid in North America. The Western Interconnection stretches from Western Canada south to Baja California in Mexico, reaching eastward over the Rockies to the Great Plains. Western Interconnection is comprised of the states of Washington, Oregon, California, Idaho, Nevada, Utah, Arizona, Colorado, Wyoming, portions of Montana, South Dakota, Nebraska, New Mexico, and Texas in the United States, the Provinces of British Columbia and Alberta in Canada, and a portion of the Comisión Federal de Electricidad's system in Baja California in Mexico. (SPP Tariff at Part I, Section 1, W Definitions.)

Zone: The geographic area of the facilities of a Transmission Owner or a specific combination of Transmission Owners as specified in Schedules 7,8, and 9. (SPP Tariff at Part I, Section 1, XYZ Definitions).

Effective Date

The Provisional Formula Rate Schedules WAUGP-ATRR, WAUGP-DCTIE-IMEU, and WAUGP-AS1 will take effect on the first day of the first full billing period beginning upon the later of the following events: (1) when the Upper Great Plains region (UGP) expands its participation in SPP in the Western Interconnection; or (2) the go-live date of the expansion of the SPP Regional Transmission Organization (RTO) into the Western Interconnection (scheduled for April 1, 2026, as of the date of this Rate Order). UGP

will provide notification of the effective date of the Provisional Formula Rates on its Rates and OASIS websites. These Provisional Formula Rates will remain in effect through March 31, 2031, pending confirmation and approval by FERC on a final basis or until superseded. If UGP does not expand its participation in SPP in the Western Interconnection, these Provisional Formula Rates will be canceled and the extended formula rates under Rate Order WAPA-217 will remain in effect. If canceled, UGP will inform customers by letter and by posting notice of such on UGP's OASIS website www.oasis.oati.com/wapa/index.html, on UGP's Rates website www.wapa.gov/about-wapa/regions/ugp/ugp-rates, and on the "Western Area Power Administration UGP Information" link on SPP's Member Related Postings website opsportal.spp.org/OASIS/Directory/Member%20Related%20Postings.

Public Notice and Comment

UGP followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR part 903, in developing these formula rates. UGP took the following steps to involve interested parties in the rate process: On December 30, 2024, a *Federal Register* notice (89 FR 106476) (Proposed FRN) announced the proposed formula rates and initiated a 90-day public consultation and comment period.

1. On December 31, 2024, UGP notified customers and interested parties of the proposed rates and provided a copy of the published Proposed FRN.
2. On February 19, 2025, UGP held a public information forum via a virtual meeting. UGP's representatives explained the proposed formula rates, answered questions, and gave notice that more information was available in the Customer Rate Brochure.
3. On February 19, 2025, UGP held a public comment forum via a virtual meeting to provide an opportunity for customers and other interested parties to comment for the record.

4. UGP posted information about the rate process on two public websites. The Rates website located at www.wapa.gov/about-wapa/regions/ugp/ugp-rates and UGP's OASIS website located at www.oasis.oati.com/wapa/index.html.

5. During the 90-day consultation and comment period, which ended on March 31, 2025, UGP received no oral comment submissions and no written comment letters.

Transmission and Ancillary Services Rate Discussion

On September 28, 2020, FERC approved and confirmed Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7 under Rate Order No. WAPA-188 on a final basis through September 30, 2025,³ and were extended under Rate Order No. WAPA-217 through September 30, 2030. These existing formula-based rate schedules are for transmission and ancillary services for the transmission facilities in the P-SMBP--ED that UGP transferred to the functional control of SPP for its existing membership.

On April 28, 2023, WAPA published a *Federal Register* notice titled “Recommendation for the Western Area Power Administration’s Rocky Mountain Region and Colorado River Storage Project Management Center to Pursue Final Negotiations Regarding Membership in the Southwest Power Pool Regional Transmission Organization, and for the Upper Great Plains Region to Expand its Participation” (88 FR 26298). On June 4, 2024, SPP submitted revisions to its Tariff, Bylaws, and Membership Agreement to expand the SPP RTO into the Western Interconnection to FERC.⁴ On March 20, 2025, FERC accepted, subject to condition and further compliance filing, SPP’s proposed Tariff, Bylaws, and Membership Agreement revisions. Subject to further approval by the Administrator, UGP plans to expand its participation in SPP in the Western Interconnection.

³ *Order Confirming and Approving Rate Schedules on a Final Basis*, FERC Docket Nos. EF20-3-000 and EF20-3-001.

⁴ Southwest Power Pool, Inc., Submission of Revisions to Tariff, Bylaws, and Membership Agreement to Expand the Regional Transmission Organization into the Western Interconnections (Part 1 of 2) and (Part 2 of 2), Docket Nos. ER24-2184, ER24-2185 (June 4, 2024).

UGP has developed new formula rates for transmission and ancillary services so that UGP's costs can continue to be recovered under the SPP Tariff with the SPP expansion of its RTO and Integrated Marketplace into the Western Interconnection, and to address the new and revised SPP settlements in SPP's FERC-approved filing for the RTO expansion. UGP's revenue requirements are added to the annual revenue requirements of other transmission owners in the multi-owner SPP pricing Zone 19, also identified as the Upper Missouri Zone (UMZ) for transmission service billed by SPP within the UMZ. UGP's revenue requirements under these rates also impact other costs for transmission service within the broader SPP footprint.

These rates continue the formula-based methodology that includes an annual update on January 1 of every year to the financial data in the rate formulas, and includes Formula Rate Implementation Protocols (Protocols) to clarify UGP's rate implementation and annual update procedures with changes related to the planned RTO expansion in the Western Interconnection to: (1) Terminate the Balancing Authority Area (BAA) related ancillary services (and associated worksheets in the Rate Formula Templates) for Regulation and Frequency Response Service, Operating Reserves – Spinning Reserve Service and Supplemental Reserve Service, Energy Imbalance Service (EI), and Generator Imbalance Service (GI); (2) Incorporate changes in the Rate Formula Templates to calculate the ATRR for the Miles City Direct Current (DC) Tie for SPP's settlements purposes related to SPP's proposed DC Tie Access Charge; (3) Incorporate changes in the Rate Formula Templates to calculate the subtotals of the ATRR for the SPP West and East BAAs separately for SPP's settlements purposes; (4) Incorporate a new worksheet in the Rate Formula Templates to calculate the IMEU Share for the Miles City DC Tie; (5) Incorporate changes in the Rate Formula Templates to calculate the ATRRs for SPP Base Plan Upgrades separately for SPP's settlements purposes in each of the SPP West and East BAAs; and (6) Update, as needed, the existing Rate Formula

Templates to smooth the true-up process impacts, increase transparency, and incorporate the changes previously noted.

UGP is a Transmission Owner member of SPP pursuant to negotiated provisions in its SPP Membership Agreement, Bylaws, and SPP Tariff. Transmission and ancillary services are provided by SPP under the SPP Tariff for use of UGP's facilities transferred to the functional control of SPP. UGP has transmission facilities in both the Eastern and Western Interconnections separated by the Miles City DC Tie and the Fort Peck Power Plant substation. UGP currently operates its Western Area Power Administration, Upper Great Plains West (WAUW) BAA in the Western Interconnection as the Balancing Authority (BA) and has not previously placed the portion of its transmission system located in the Western Interconnection into SPP's Integrated Marketplace. However, with the planned SPP expansion of its RTO into the Western Interconnection, UGP will merge its WAUW BAA into the SPP West BAA and discontinue its current role as a BAA for WAUW. UGP will also place its remaining transmission system and other generation and load located in the Western Interconnection (in the existing WAUW BAA footprint) into SPP's Integrated Marketplace on the effective date of UGP's expanded participation in SPP in the Western Interconnection.

Data used in the annual recalculation of the formula rates each year will be made available for review and comment as described in the Protocols. These Protocols ensure that interested parties are aware of the data used to calculate the formula rates and provide interested parties the opportunity to comment before the costs are collected through the formula rates.

The formula rate templates and the Protocols will be posted on UGP's OASIS website at www.oasis.oati.com/wapa/index.html, on UGP's Rates website at www.wapa.gov/about-wapa/regions/ugp/ugp-rates, and on SPP's Member Related

Postings website at

opsportal.spp.org/OASIS/Directory/Member%20Related%20Postings.

Formula Rate for P-SMBP--ED Annual Transmission Revenue Requirement – Rate Schedule WAUGP-ATRR

UGP changed its current formula rate calculation methodology for its ATRR, provided under Rate Schedule WAUGP-ATRR. These changes more clearly, transparently, and separately document UGP's facilities in the Western Interconnection, the Eastern Interconnection, and at the Miles City DC Tie and associated subtotals of the overall ATRR for each of these sub-sets of facilities. SPP will utilize these ATRR subtotals, along with zonal and regional load and other applicable information, to calculate the applicable charges and revenue distribution for SPP transmission service under the SPP Tariff.

Consistent with UGP's current formula rates, UGP will continue recovering transmission-related expenses and investments on a forward-looking basis by using projections to estimate transmission costs for the upcoming rate year, with a true-up of incurred costs in a subsequent year. Transmission-related annual costs include O&M, administrative and general expenses, interest, and depreciation. The annual costs will be reduced by applicable revenue credits received by UGP under the SPP Tariff.

Formula Rate for Miles City DC Tie Incremental Market Efficiency Use Share – Rate Schedule WAUGP-DCTIE-IMEU

SPP's Incremental MEU Charge compensates each West DC Tie Transmission Owner for the expected loss of life of that owner's West DC Tie facilities due to increased utilization of the West DC Ties by the Integrated Marketplace.

To simplify the calculation of the Miles City DC Tie IMEU Share and provide a consistent forward-looking amount, UGP will use a loss-of-life factor for each eligible group of Miles City DC Tie equipment due to expected market operation impacts, and

provide a levelized annual estimate to SPP. The loss-of-life calculations are based upon impact metrics directly related to the increased market use for each of the Miles City DC Tie equipment groups eligible for cost recovery. The IMEU Share calculations are based upon the change in the estimated depreciation expense due to the loss of life predicted for each group of Miles City DC Tie equipment. Cost estimates are calculated on a forward-looking basis by using projections to determine costs for the upcoming rate year, with a true-up of incurred costs in a subsequent year. Revenue received from SPP for UGP's Miles City DC Tie IMEU Share will be credited against the Miles City DC Tie portion of the UGP ATRR previously described.

Formula Rate for Scheduling, System Control, and Dispatch Service – Rate Schedule WAUGP-AS1

UGP will continue to use its current formula rate calculation methodology for Scheduling, System Control, and Dispatch (SSCD) Service, currently provided under Rate Schedule WAUGP-AS1. This rate schedule will continue to include transmission facilities in the Western Interconnection. The annual revenue requirement is derived by calculating UGP's applicable annual costs associated with the provision of SSCD Service, including O&M, administrative and general expenses, depreciation, and interest. Estimates are calculated on a forward-looking basis by using projections to determine costs associated with SSCD Service for the upcoming rate year, with a true-up of incurred costs in a subsequent year. The annual costs will be reduced by any applicable revenue received by UGP under the SPP Tariff.

Formula Rate Implementation Protocols

For transmission and ancillary services provided under the SPP Tariff, UGP will provide information relating to UGP's rate implementation and annual update procedures and timelines in a "Formula Rate Implementation Protocols" document. The Protocols, together with the above-mentioned formula rate templates, comprise the Formula Rates

that will be submitted to SPP to be incorporated in the SPP Tariff. All relevant information pertaining to UGP's annual updates, customer notifications and review periods, and meeting requirements are contained in the Protocols. These notifications, review periods, and meetings ensure that interested parties are aware of the data used to calculate the formula rates and are provided the opportunity to comment before the costs are collected through the formula rates.

Certification of Rates

I have certified that the Provisional Formula Rates for Pick-Sloan Missouri Basin Program--Eastern Division transmission and ancillary service under Rate Schedules WAUGP-ATRR, WAUGP-DCTIE-IMEU, and WAUGP-AS1 are the lowest possible rates, consistent with sound business principles. The Provisional Formula Rates were developed following administrative policies and applicable laws.

Availability of Information

Information used by UGP to develop the Provisional Formula Rates is available for inspection and copying at the Upper Great Plains Regional Office, 2900 4th Ave. North, 6th Floor, Billings, MT. Many of these documents are also available on UGP's Rates website at www.wapa.gov/about-wapa/regions/ugp/ugp-rates and on UGP's OASIS website at www.oasis.oati.com/wapa/index.html.

RATEMAKING PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA has determined that this action fits within the following categorical exclusion listed in appendix B to subpart D of 10 CFR part 1021: B4.3 (Electric power marketing rate changes).⁵ Categorically excluded projects and activities do not require preparation of either an environmental impact statement or an environmental assessment. A copy of

⁵ The determination was done in compliance with NEPA (42 U.S.C. 4321-4347) and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021).

the categorical exclusion determination is available on DOE's website at www.energy.gov/nepa/categorical-exclusion-determinations-western-area-power-administration-upper-great-plains.

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.

Submission to the Federal Energy Regulatory Commission

The Provisional Formula Rates herein confirmed, approved, and placed into effect on an interim basis, together with supporting documents, will be submitted to FERC for confirmation and final approval.

ORDER

In view of the above and under the authority delegated to me, I hereby confirm, approve, and place into effect, on an interim basis, Rate Order No. WAPA-218. The rates will remain in effect on an interim basis until: (1) FERC confirms and approves them on a final basis; (2) subsequent rates are confirmed and approved; or (3) such rates are superseded.

Signing Authority

This document of the Department of Energy was signed on July 7, 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 July 9, 2025.

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

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION**

**ANNUAL TRANSMISSION REVENUE REQUIREMENT
FOR TRANSMISSION SERVICE**

(Approved Under Rate Order No. WAPA-218)

Effective:

The first day of the first full billing period beginning upon the later of the following events: (1) when the Western Area Power Administration - Upper Great Plains region (WAPA-UGP) officially expands its participation in the Southwest Power Pool (SPP) in the Western Interconnection; or (2) the go-live date of the expansion of the SPP Regional Transmission Organization into the Western Interconnection (scheduled for April 1, 2026, as of the date of the approved Rate Order) and extending through March 31, 2031, or until superseded by another rate schedule, whichever occurs earlier. Notification of the actual effective date will be posted on the applicable SPP website and on WAPA-UGP's Open Access Same-Time Information System (OASIS) website.

Applicable:

WAPA-UGP's formula based Annual Transmission Revenue Requirement (ATRR) for its eligible transmission related facilities included under the SPP Open Access Transmission Tariff (Tariff) will be calculated using the formula outlined below.

Formula Rate:

Define:

A = Operation & Maintenance Expense allocated to transmission (\$)

B = Depreciation Expense allocated to transmission (\$)

C = Interest Expense allocated to transmission (\$)

D = Administrative and General Expense allocated to transmission (\$)

E = Revenue Credits (\$)

F = Scheduling, System Control, and Dispatch Service Allocation (\$)

G = Prior Period True-up (\$)

$$\text{ATRR} = \text{A} + \text{B} + \text{C} + \text{D} + \text{E} + \text{F} + \text{G}$$

Where applicable, the ratio share of plant-based values, applicable Revenue Credits and Prior Period True-up are used for associated ATRR calculations.

Note: WAPA-UGP will identify any portion(s) of the ATRR eligible for recovery under SPP Schedule 9 and Schedule 11 pursuant to the SPP Tariff, and will also identify subtotals of the ATRR for the SPP East and West Balancing Authority Areas separately, and for the Miles City DC Tie as required for SPP settlements purposes, in its Rate Formula Template submitted under Attachment H of the SPP Tariff.

Recalculated ATRR values will go into effect every January 1 based on the above formula and updated financial data. WAPA-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. This data and information will be posted on the applicable SPP website and on WAPA-UGP's OASIS website.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION**

SCHEDULING, SYSTEM CONTROL, AND DISPATCH SERVICE

(Approved Under Rate Order No. WAPA-218)

Effective:

The first day of the first full billing period beginning upon the later of the following events: (1) when the Western Area Power Administration - Upper Great Plains region (WAPA-UGP) officially expands its participation in the Southwest Power Pool (SPP) in the Western Interconnection; or (2) the go-live date of the expansion of the SPP Regional Transmission Organization into the Western Interconnection (scheduled for April 1, 2026, as of the date of the approved Rate Order) and extending through March 31, 2031, or until superseded by another rate schedule, whichever occurs earlier. Notification of the actual effective date will be posted on the applicable SPP website and on WAPA-UGP's Open Access Same-Time Information System (OASIS) website.

Applicable:

Scheduling, System Control, and Dispatch Service (SSCD) is required to schedule the movement of power through, out of, within, or into one or both of the SPP Balancing Authority Areas (BAAs) and certain parts of the transmission system not located within a SPP BAA. WAPA-UGP's annual revenue requirement for SSCD will be used by SPP to calculate the regional SPP Schedule 1 rate for SPP through and out transactions, and also to calculate the zonal SPP Schedule 1 rate for the Upper Missouri Zone (UMZ or Zone 19). This rate will also be charged by SPP for SPP Transmission Service provided within the UMZ in the Western Interconnection.

Formula Rate:

Define:

A = Operation & Maintenance for SSCD (\$)

B = Administrative and General Expense for SSCD (\$)

C = Depreciation Expense for SSCD (\$)

D = Interest Expense for SSCD (\$)

E = Non-SPP Facilities SSCD Utilization (\$)

F = Prior Period True-up (\$)

G = Revenue/Revenue Credit Allocation (\$)

SSCD Annual Revenue Requirement = A + B + C + D + E + F + G

A recalculated annual revenue requirement will go into effect every January 1 based on the above formula and updated financial data. WAPA-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. This data and information will be posted on the applicable SPP website and on WAPA-UGP's OASIS website.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION**

INCREMENTAL MARKET EFFICIENCY USE SHARE

(Approved Under Rate Order No. WAPA-218)

Effective:

The first day of the first full billing period beginning upon the later of the following events: (1) when the Western Area Power Administration - Upper Great Plains region (WAPA-UGP) officially expands its participation in the Southwest Power Pool (SPP) in the Western Interconnection; or (2) the go-live date of the expansion of the SPP Regional Transmission Organization into the Western Interconnection (scheduled for April 1, 2026, as of the date of the approved Rate Order) and extending through March 31, 2031, or until superseded by another rate schedule, whichever occurs earlier. Notification of the actual effective date will be posted on the SPP website and on WAPA-UGP's Open Access Same-Time Information System (OASIS) website.

Applicable:

The Incremental Market Efficiency Use (IMEU) accounts for each Western Interconnection Direct Current (West DC) Tie Transmission Owner's expected loss of life of that owner's West DC Tie facilities due to increased utilization of the West DC Ties by the SPP Integrated Marketplace. WAPA-UGP's Incremental MEU Share for the Miles City Converter Station (Miles City DC Tie) will be calculated using the formula outlined below.

Formula Rate:

Define (for each Group of IMEU eligible Miles City DC Tie equipment):

A = Miles City DC Tie Gross Plant Impacted by IMEU (\$)

B = Average Service Life of Gross Plant Impacted by IMEU

C = Average Service Life Depreciation Rate of Gross Plant Impacted by IMEU (%)

D = Loss of Service Life Due to Market Use (%)

E = Decreased Average Service Life Depreciation Rate of Gross Plant Impacted by IMEU (%)

IMEU Share (for each Group) = $(E-C)*A$, where $1/B=C$, and where $1/(B*(1-D))=E$

F = Prior period true-up (\$)

Total IMEU Share = Sum of IMEU Share (for all Groups) + F

A recalculated IMEU Share will go into effect every January 1 based on the above formula and updated financial/criteria data. UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated IMEU Share on or shortly after September 1 of the preceding year. This data and information will be posted on the applicable SPP website and on WAPA-UGP's OASIS website.

[FR Doc. 2025-12990 Filed: 7/10/2025 8:45 am; Publication Date: 7/11/2025]