



DEPARTMENT OF ENERGY

Western Area Power Administration

Desert Southwest Region and Western Area Lower Colorado Balancing Authority - Rate Order No. WAPA-222

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of proposed extension of formula rates for balancing authority area and transmission provider services.

SUMMARY: The Desert Southwest Region (DSW) of the Western Area Power Administration (WAPA) proposes extending, without any changes, the existing balancing authority area and transmission provider services formula rates for Western Area Lower Colorado Balancing Authority (WALC) through September 30, 2031. The existing formula rates under Rate Schedules DSW-SD4 (Scheduling, System Control, and Dispatch), DSW-RS4 (Reactive Supply and Voltage Control), DSW-FR4 (Regulation and Frequency Response), DSW-SPR4 (Spinning Reserve), DSW-SUR4 (Supplemental Reserves), DSW-EI4 (Energy Imbalance), DSW-GI2 (Generator Imbalance), DSW-TL1 (Transmission Losses), DSW-UUI (Unreserved Use Penalties), DSW-EIM1T (Administrative Service), DSW-EIM4T (Energy Imbalance Service), and DSW-EIM9T (Generator Imbalance Service) expire on September 30, 2026.

DATES: A consultation and comment period will begin [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*] and end [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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: Scott R. Lund, Regional Manager, Desert Southwest Region, Western Area Power Administration, P.O. Box 6457, Phoenix,

AZ 85005-6457, or email: dswpwrmrk@wapa.gov. DSW will post information about the proposed formula rate extensions and written comments received to its website at: www.wapa.gov/about-wapa/regions/dsw/rates.

FOR FURTHER INFORMATION CONTACT: Tina Ramsey, Rates Manager, Desert Southwest Region, Western Area Power Administration, (602) 812-2355, or email: dswpwrmrk@wapa.gov.

SUPPLEMENTARY INFORMATION: On January 12, 2017, FERC confirmed and approved ancillary service Rate Schedules DSW-SD4, DSW-RS4, DSW-FR4, DSW-SPR4, DSW-SUR4, DSW-EI4, and DSW-GI2, transmission losses Rate Schedule DSW-TL1, and unreserved use penalty Rate Schedule DSW-UU1 under Rate Order No. WAPA-175 for a 5-year period through September 30, 2021.¹ On October 25, 2022, FERC confirmed and approved an extension of these formula rates, under Rate Order No. WAPA-200, for a 5-year period through September 30, 2026.² On September 12, 2023, FERC confirmed and approved EIM Rate Schedules DSW-EIM1T, DSW-EIM4T, and DSW-EIM9T under Rate Order No. WAPA-208 for a 3-year period through September 30, 2026.³ In accordance with 10 CFR 903.23(a),⁴ DSW is proposing to extend the existing formula rates under Rate Schedule DSW-SD4, DSW-RS4, DSW-FR4, DSW-SPR4, DSW-SUR4, DSW-EI4, DSW-GI2, DSW-TL1, DSW-UU1, DSW-EIM1T, DSW-EIM4T, and DSW-EIM9T for the period of October 1, 2026, through September 30, 2031. These existing formula rates are viewable on DSW's website at:

www.wapa.gov/about-wapa/regions/dsw/rates. The existing formula rates provide sufficient revenue to pay all annual costs, including interest expense, and repay

¹ Order Confirming and Approving Rate Schedule on a Final Basis, FERC Docket No. EF16-6-000 and EF16-6-001, 158 FERC ¶ 62,027 (2017).

² Order Confirming and Approving Rate Schedule on a Final Basis, FERC Docket No. EF21-6-000 (2022).

³ Order Confirming and Approving Rate Schedule on a Final Basis, FERC Docket No. EF23-3-000 (2023).

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

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), DSW has determined that it is not necessary to hold public information or public comment forums for this rate action but is initiating a consultation and comment period to give the public an opportunity to comment on the proposed extension. DSW 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-S3-2024, 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.

RATEMAKING PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA determined that this action fits within the following categorical exclusion listed in appendix B to 10 CFR part 1021 and Appendix B of DOE's National Environmental Policy Act (NEPA) Implementing Procedures published on June 30,

2025: 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 the categorical exclusion determination is available on DSW's website at www.wapa.gov/about-wapa/regions/dsw/environment/dsw-cx/.

Look for file titled, "Rate Order WAPA-222."

Determination Under Executive Order 12866

WAPA has an exemption from centralized regulatory review under Executive Order 12866 as amended by Executive Order 14215; 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 21, 2026, 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 21, 2026.

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

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