



DEPARTMENT OF ENERGY

Western Area Power Administration

Collections from Central Valley Project Power Contractors to Carry Out the Restoration, Improvement and Acquisition of Environmental Habitat Provisions of the Central Valley Project Improvement Act of 1992

AGENCY: Western Area Power Administration, Department of Energy (DOE).

ACTION: Notice of order concerning collection procedures.

SUMMARY: The collection procedures for the Sierra Nevada (SN) region have been confirmed, approved, and placed into effect. These collection procedures supersede those previously published in the *Federal Register* on April 16, 2003. The collection procedures remain unchanged but are being republished, for administrative purposes, to remove references to a specific Western Area Power Administration (WAPA) SN Power Marketing Plan (PMP).

DATES: The collection procedures are effective on the first day of the first full billing period, beginning on or after April 1, 2026, and will remain in effect until superseded.

FOR FURTHER INFORMATION CONTACT: Michelle R. Williams, Regional Manager, Sierra Nevada Region, Western Area Power Administration, 114 Parkshore Drive, Folsom, CA 95630, or Autumn Wolfe, Rates Manager, Sierra Nevada Region, Western Area Power Administration, (916) 353-4686, or email: SNR-RateCase@wapa.gov.

SUPPLEMENTARY INFORMATION: Section 3407 of the Central Valley Project Improvement Act (CVPIA) (Pub. L. 102-575, 106 Stat. 4706, 4726) establishes in the Treasury of the United States the CVP Restoration Fund to carry out the habitat restoration, improvement, and acquisition provisions of the CVPIA. The CVPIA further requires the Secretary of the Interior to assess and collect annual mitigation and restoration payments from CVP Water and Power Contractors (Restoration Payments).

The Secretary of the Interior, through the Bureau of Reclamation (Reclamation), is responsible for determining and collecting CVP Water and Power Contractors' share of the annual Total Restoration Fund Payment Obligation.

Because WAPA-SN markets and transmits CVP power and maintains all CVP power contracts, WAPA-SN agreed to collect the Restoration Payments from CVP Power Contractors. WAPA-SN executed a letter of agreement with Reclamation to establish procedures for depositing collections from CVP Power Contractors into the Restoration Fund.

WAPA-SN published a *Federal Register* notice (Proposed FRN) on August 12, 2025 (90 FR 38781), proposing collection procedures that remain unchanged but are being republished, for administrative purposes, to remove references to a specific WAPA-SN PMP. The Proposed FRN also initiated a 30-day public consultation and comment period.

Acronyms, Terms, and Definitions

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

Base Resource (BR):	Base Resource, as defined in Central Valley Project's 2025 Marketing Plan is the Central Valley and Washoe Project power (capacity and energy) output determined by WAPA-SN to be available for marketing, including the environmental attributes, after meeting the requirements of project use and first preference customers, and any adjustments for maintenance, reserves, system losses, and certain ancillary services.
Central Valley Project (CVP):	As defined in Central Valley Project's 2025 Marketing Plan, is Central Valley Project. The multipurpose Federal water development project extending from the Cascade Range in northern California to the plains along the Kern River south of the city of Bakersfield, California.
Customer:	As defined in Central Valley Project's 2025 Marketing Plan, is an entity with a contract and receiving electric service from WAPA's Sierra Nevada Region.

Central Valley Project Improvement Act (CVPIA):	Title 34 of Public Law 102-575, 106 Stat. 4706 et seq. A legislative act, enacted on October 30, 1992, that defines provisions for habitat restoration, improvement and acquisition, and other fish and wildlife restoration activities in the Central Valley Project area of California.
Energy:	As defined in Central Valley Project's 2025 Marketing Plan, it is measured in terms of the work it is capable of doing over a period of time; electric energy is usually measured in kilowatt hours or megawatt hours.
First Preference Customer (FP):	As defined in Central Valley Project's 2025 Marketing Plan, is a preference customer and/or a preference entity (an entity qualified to use, but not using, preference power) within a country or origin (Trinity, Calaveras, and Tuolumne) as specified under the Trinity River Division Act (69 Sta. 719) and the New Melones Project provisions of the Flood Control Act of 1962 (76 Stat. 1173, 1191-1192).
Fiscal Year (FY):	WAPA's fiscal year, October 1 to September 30.
Kilowatt (kW):	As defined in Central Valley Project's 2025 Marketing Plan, is a unit measuring the rate of production of electricity; one kilowatt equals one thousand watts.
Letter of Agreement (LOA):	Letter of Agreement No. 93-SAO-10156, is a written agreement between Reclamation and WAPA that establishes procedures to deposit the Restoration Payments collected from Central Valley Project Power Contractors into the Restoration Fund.
Megawatt (MW):	As defined in Central Valley Project's 2025 Marketing Plan, is a unit measuring the rate of production of electricity; one megawatt equals one million watts.
Power:	As defined in Central Valley Project's 2025 Marketing Plan, is capacity and energy.
Power Restoration Payment Obligation (PRPO):	The portion of the Total Restoration Payment Obligation calculated and assigned annually to Central Valley Project Power Contractors by Reclamation.

Project Use:	As defined in Central Valley Project’s 2025 Marketing Plan, is power as defined by Reclamation Law and/or used to operate CVP and Washoe Project facilities.
Reclamation:	United States Department of Interior, Bureau of Reclamation.
Restoration Fund:	The Central Valley Project Restoration Fund, established by Section 3407 of the Central Valley Project Improvement Act, into which revenues provided by the Central Valley Project Improvement Act are deposited and from which funds are appropriated by the Secretary to carry out the habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act.
Restoration Payments:	The amount(s) recorded as payable on Central Valley Project Power Contractors’ Restoration Fund Bills.
Sierra Nevada (SN) Region:	As defined in Central Valley Project’s 2025 Marketing Plan, is the Sierra Nevada Region of the Western Area Power Administration.
Total Restoration Fund Payment Obligation:	The total amount of payments collected from the Central Valley Project Water and Power Contractors calculated annually by Reclamation.
WAPA:	Western Area Power Administration, as defined in Central Valley Project’s 2025 Marketing Plan, is the United States Department of Energy, a Federal power marketing administration responsible for marketing and transmitting Federal power pursuant to Reclamation Law and the DOE Organization Act (42 USC 7101, et seq.).
Washoe Project:	As defined in Central Valley Project’s 2025 Marketing Plan, is a Federal water project located in the Lahontan Basin in west-central Nevada and east-central California.

Effective Date

The collection procedures will take effect on the first day of the first full billing period beginning on or after April 1, 2026, and will remain in effect until superseded.

Public Notice and Comment

WAPA-SN took the following steps to involve interested parties in the process:

1. On August 12, 2025, a *Federal Register* notice (90 FR 38781) (Proposed FRN) announced the proposed collection procedures and launched a 30-day public consultation and comment period.
2. On August 12, 2025, WAPA-SN notified Preference Customers and interested parties of the proposed collection procedures and provided a copy of the published Proposed FRN.
3. WAPA-SN established a public website to post information about the process. The website is located at www.wapa.gov/about-wapa/regions/sn/sn-rates/restoration-fund/.
4. During the 30-day consultation and comment period, which ended on September 11, 2025, WAPA-SN received no oral comment submissions and no written comment letters.

Collection Procedures

The procedures for the collection of the Restoration Payments are detailed below. These collection procedures remain unchanged but are being republished, for administrative purposes, to remove references to a specific WAPA-SN PMP.

Determination of the Power Restoration Payment Obligation (PRPO)

Reclamation is responsible for assigning the PRPO for CVP Power Contractors. On or about July 1 of each year, Reclamation will provide a letter to WAPA-SN with the determined PRPO amount and a detailed explanation of the computation for the upcoming fiscal year (FY). Upon receiving the letter from Reclamation, WAPA-SN will notify CVP Power Contractors of the annual PRPO and the monthly amount to be collected.

Allocating the PRPO

WAPA-SN will allocate the PRPO among the CVP Power Contractors each FY. After notification by Reclamation, WAPA-SN will calculate the annual obligation for

each CVP Power Contractor based on their assigned Base Resource percentage as specified in their power contracts. Each CVP Power Contractor's annual obligation will be divided by twelve (12) months and billed equally over the FY.

Collection of CVP Power Contractors' Restoration Payments

Each CVP Power Contractor will receive a Restoration Fund bill monthly on or about the twenty-fifth (25th) but no later than the last day of the month. The Restoration Fund billing cycle for each FY will begin within thirty (30) days following August 1 or the date written notification of the annual PRPO is received from Reclamation, whichever occurs later.

Payment Due Date

All CVP Power Contractors' Restoration Payments are due and payable before the close of business twenty (20) calendar days after each Restoration Fund bill is issued, or the next business day thereafter, if said day is a Saturday, Sunday, or federal holiday.

Late Payment Charges Assessed to Delinquent Restoration Payments

WAPA-SN will add a late payment charge of five hundredths percent (0.05%) of the principal amount unpaid for each day the Restoration Payment is delinquent. Payments received will be first applied to the charges for the late payment assessed on the principal and then to the payment of the principal.

Deposit of CVP Power Contractors' Restoration Payments into the Restoration Fund

On or about the twenty-seventh (27th) calendar day of the month following each billing month, WAPA-SN will transfer all Restoration Payments received, including late payment charges, to Reclamation for deposit into the Restoration Fund. The thirtieth (30th) of September of each FY is the last day WAPA-SN will transfer Restoration Payments, including late payment charges, to Reclamation for that FY.

Exchange Program and Year-End Reconciliation Process

The Exchange Program may result in some CVP Power Contractors receiving small amounts of energy in excess of their contractual Base Resource percentage in some months. Although recipients of this exchange energy will pay for this power, Restoration Fund obligations are based on each CVP Power Contractor's percentage of the contractual Base Resource excluding exchange energy. Alternatively, some CVP Power Contractors that are not able to use all their contractual Base Resource and return it as exchange energy could be overpaying their Restoration Fund obligations, since their actual power usage might be less than their contractual Base Resource percentage in a given month.

To rectify underpayments made by recipients of the exchange energy and overpayments by other CVP Power Contractors, WAPA-SN will conduct a reconciliation process, otherwise known as an annual true-up, before preparing August Restoration Fund bills. This reconciliation will require WAPA-SN to identify energy amounts exchanged among individual CVP Power Contractors monthly. The applicable billing periods will track exchange energy associated with power deliveries from July to June service months. This information will provide the basis for determining the amount of energy exchanged during the billing year.

WAPA-SN will add an additional charge, or a balloon payment, to the August Restoration Fund bills for each CVP Power Contractor who received exchange energy during the past year that exceeded their contractual Base Resource percentage.

Conversely, WAPA-SN will also post an offsetting credit on their August bills for those CVP Power Contractors that provide exchange energy, thus decreasing the amount of contractual Base Resource energy received.

Exclusion of First Preference Contractors from the Power Restoration Payment Obligation

WAPA-SN reviewed the contributions the Trinity River Division (TRD) and New Melones projects provide, either directly or indirectly, to environmental mitigation in support of CVPIA and/or projects supported by the CVPIA Restoration Fund. The TRD and New Melones projects deliver significant environmental benefits toward the CVPIA Restoration Fund programs.

Since CVPIA was enacted, these facilities have been reoperated, so CVP meets the standards and guidelines set forth by CVPIA. With the reoperation of these facilities and the fact that the First Preference (FP) customers' energy entitlements are based on the generation output of these facilities, their reoperation ultimately affects these customers. These circumstances provide a basis by which to exclude Restoration Fund collections from any FP customers within the affected areas.

Review Process

WAPA-SN will review the procedures for the assessing and collecting of Restoration Payments from the CVP Power Contractors every five (5) years or if one of the following occurs: (1) if there is a significant change to or suspension of the legislation, (2) if a material issue arises, (3) if an apparent inequity in the procedures is discovered, or (4) if any significant change occurs that affects the procedures.

Comments

WAPA-SN received no separate oral and/or written comments during the public consultation and comment period.

Availability of Information

Information used by WAPA-SN to develop the collection procedure are available for inspection and copying at the Sierra Nevada Regional Office, 114 Parkshore Drive, Folsom, California. Many of these documents are also available on WAPA-SN's website at: www.wapa.gov/about-wapa/regions/sn/sn-rates/restoration-fund/.

PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA-SN determined that this action fits within the following categorical exclusion listed in appendix B to CFR part 1021 and Appendix B of DOE's NEPA implementing procedures published on June 30, 2025: B4.3, Electric power marketing rate changes.¹ Under 10 CFR 1021.102, 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 WAPA's website at www.wapa.gov/about-wapa/regions/sn/sn-rates/restoration-fund/.

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.

ORDER

In view of the above, and under the authority delegated to me, I hereby confirm, approve, and place into effect the Collections from Central Valley Project Power Contractors to Carry Out the Restoration, Improvement and Acquisition of Environmental Habitat Provisions of the Central Valley Project Improvement Act of 1992. The collection procedures will remain in effect until superseded.

Signing Authority

This document of the Department of Energy was signed on February 17, 2026, by Tracey A. Lebeau, Administrator, Western Area Power Administration, pursuant to

¹ The determination was done in compliance with NEPA (42 U.S.C. 4321-4347) and DOE NEPA Implementing Procedures, including 10 CFR part 1021.

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 February 18, 2026.

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

[FR Doc. 2026-03388 Filed: 2/19/2026 8:45 am; Publication Date: 2/20/2026]