

legislatively authorized at the project, but installation of hydroelectric facilities was deferred until justified by economic conditions. A determination of feasibility was made in a 1982 Corps study. In 1983, the Sam Rayburn Municipal Power Agency (SRMPA) proposed to sponsor and finance the development at Town Bluff Dam in return for the output of the project to be delivered to its member municipalities and participating member cooperatives of the Sam Rayburn Dam Electric Cooperative. Since the hydroelectric facilities at the Town Bluff Dam have been completed, the facilities have been renamed the Robert Douglas Willis Hydropower Project (Willis).

The Willis rate is unique in that it excludes the costs associated with the hydropower design and construction performed by the Corps, because all funds for these costs were provided by SRMPA. Under the Southwestern/SRMPA power sales Contract No. DE-PM75-85SW00117, SRMPA will continue to pay all annual operating and marketing costs, as well as expected capital replacement costs, through the rate paid to Southwestern, and will receive all power and energy produced at the project for a period of 50 years.

In the FERC Docket No. EF04-4081-000, issued June 24, 2004, for the period November 1, 2003, through September 30, 2007, the FERC confirmed and approved the current annual Willis rate of \$452,952.

### Discussion

Southwestern's 2005 Current Power Repayment Study (PRS) indicates that the existing annual power rate of \$452,952 does not represent the lowest possible rate needed to meet cost recovery criteria. The increased revenue requirement is due to an increase in the U.S. Army Corps of Engineers (Corps) projected future replacement investment and future operations and maintenance expense estimates. The Revised PRS indicates that an increase in annual revenues of \$195,144 beginning January 1, 2006, is sufficient to accomplish repayment of the Federal investment in the required number of years. Accordingly, Southwestern developed a proposed rate schedule based on that increased revenue requirement.

Title 10, Part 903, Subpart A of the Code of Federal Regulations, "Procedures for Public Participation in Power and Transmission Rate Adjustment," has been followed in connection with the proposed rate adjustment. More specifically, opportunities for public review and comment during a 60-day period on the proposed Willis power rate were

announced by a **Federal Register** (70 FR 51033) notice published on August 29, 2005. A Public Information Forum was scheduled to be held September 13, 2005, and a Public Comment Forum was scheduled for October 13, 2005, both in Tulsa, Oklahoma. Both forums were canceled as no one expressed an intent to participate. Written comments were due by October 28, 2005. Southwestern provided the **Federal Register** notice, together with requested supporting data, to the customer and interested parties for review and comment during the formal period of public participation. In addition, prior to the formal 60-day public participation process, Southwestern discussed with the customer representatives the preliminary information on the proposed rate adjustment. Only one formal comment was received during the public process. That comment, on behalf of SRMPA and the Vinton Public Power Authority, expressed no objection to the final proposed rate. Upon conclusion of the comment period in October 2005, Southwestern finalized the PRS and rate schedule for the proposed annual rate of \$648,096 which is the lowest possible rate needed to satisfy repayment criteria. This rate represents an annual increase of 43.1 percent.

### Availability of Information

Information regarding this rate increase, including studies and other supporting material, is available for public review and comment in the offices of Southwestern Power Administration, One West Third Street, Tulsa, Oklahoma 74103.

### Comments and Responses

Southwestern received one written comment in which the customer representative expressed no objection to the proposed rate adjustment.

### Other Issues

There were no other issues raised during the informal meeting or during the formal public participation period.

### Administrator's Certification

The 2005 Revised Willis PRS indicates that the annual power rate of \$648,096 will repay all costs of the project, including amortization of the power investment consistent with provisions of the Department of Energy (DOE) Order No. RA 6120.2. In accordance with Delegation Order Nos. 00-037.00 (December 6, 2001) and 00-001.00A (September 17, 2002), and Section 5 of the Flood Control Act of 1944, the Administrator has determined that the proposed Willis power rate is

consistent with applicable law and the lowest possible rate consistent with sound business principles.

### Environment

The environmental impact of the rate increase proposal was evaluated in consideration of DOE's guidelines for implementing the procedural provisions of the National Environmental Policy Act, 10 CFR part 1021, and was determined to fall within the class of actions that are categorically excluded from the requirements of preparing either an Environmental Impact Statement or an Environmental Assessment.

### Order

In view of the foregoing and pursuant to the authority delegated to me, I hereby confirm, approve and place in effect on an interim basis, for the period January 1, 2006, through September 30, 2009, the annual Robert D. Willis Rate of \$648,096 for the sale of power and energy from Robert D. Willis project to the Sam Rayburn Municipal Power Agency, under Contract No. DE-PM75-85SW00117, as amended. This rate shall remain in effect on an interim basis through September 30, 2009, or until the FERC confirms and approves the rate on a final basis.

Dated: December 23, 2005.

### Clay Sell,

*Deputy Secretary.*

[FR Doc. E6-123 Filed 1-9-06; 8:45 am]

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## DEPARTMENT OF ENERGY

### Southwestern Power Administration

#### Sam Rayburn Dam Power Rate Schedule

**AGENCY:** Southwestern Power Administration, DOE.

**ACTION:** Notice of Rate Order.

**SUMMARY:** Pursuant to Delegation Order Nos. 00-037.00, effective December 6, 2001, and 00-001.00B, effective July 28, 2005, the Deputy Secretary has approved and placed into effect on an interim basis Rate Order No. SWPA-54, which increases the power rate for the Sam Rayburn Dam Project (Rayburn) pursuant to the following Sam Rayburn Dam Rate Schedule:

Rate Schedule SRD-05, Wholesale Rates for Hydropower and Energy Sold to Sam Rayburn Dam Electric Cooperative, Inc. (Contract No. DE-PM75-92SW00215)

The effective period for the rate schedule specified in Rate Order No.

SWPA-54 is January 1, 2006, through September 30, 2009.

**FOR FURTHER INFORMATION CONTACT:** Mr. Forrest E. Reeves, Assistant Administrator, Office of Corporate Operations, Southwestern Power Administration, Department of Energy, One West Third Street, Tulsa, Oklahoma 74103, (918) 595-6696, [gene.reeves@swpa.gov](mailto:gene.reeves@swpa.gov).

**SUPPLEMENTARY INFORMATION:** The existing hydroelectric power rate for the Rayburn is \$2,513,700 per year. The Deputy Secretary of Energy confirmed, approved and placed in effect on an interim basis this rate on November 16, 2004, for the period January 1, 2005, through September 30, 2008. This rate has not yet been approved on a final basis by the Federal Energy Regulatory Commission (FERC). The 2005 Rayburn Power Repayment Studies indicates the need for an increase in the annual rate by \$300,364 or 12 percent beginning January 1, 2006.

The Administrator, Southwestern Power Administration (Southwestern) has followed Title 10, Part 903 Subpart A, of the Code of Federal Regulations, "Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions" (Part 903) in connection with the proposed rate schedule. On August 29, 2005, Southwestern published notice in the **Federal Register** (70 FR 51034), of a 90-day comment period, together with a Public Information Forum and a Public Comment Forum, to provide an opportunity for customers and other interested members of the public to review and comment on a proposed rate increase for the Willis project. Both public forums were canceled when no one expressed an intention to participate. Written comments were accepted through November 28, 2005. One comment was received from Gillis & Angley, Counsellors at Law, on behalf of Sam Rayburn Municipal Power Authority (an entity of Sam Rayburn Dam Electric Cooperative), which stated that they had no objection to the proposed rate adjustment.

Information regarding this rate proposal, including studies and other supporting material, is available for public review and comment in the offices of Southwestern Power Administration, One West Third Street, Tulsa, Oklahoma 74103.

Following review of Southwestern's proposal within the Department of Energy, I approved Rate Order No. SWPA-54, on an interim basis, which increases the existing Sam Rayburn rate to \$2,816,064, per year, for the period

January 1, 2006, through September 30, 2009.

Dated: December 23, 2005.

**Clay Sell,**

*Deputy Secretary.*

**In the Matter of: Southwestern Power Administration, Sam Rayburn Dam Project Rate; Order Confirming, Approving and Placing Increased Power Rate Schedule in Effect on an Interim Basis**

Pursuant to Sections 302(a) and 301(b) of the Department of Energy Organization Act, Public Law 95-91, the functions of the Secretary of the Interior and the Federal Power Commission under Section 5 of the Flood Control Act of 1944, 16 U.S.C. 825s, relating to the Southwestern Power Administration (Southwestern) were transferred to and vested in the Secretary of Energy. By Delegation Order No. 0204-108, effective December 14, 1983, the Secretary of Energy delegated to the Administrator of Southwestern the authority to develop power and transmission rates, delegated to the Deputy Secretary of the Department of Energy the authority to confirm, approve, and place in effect such rates on an interim basis and delegated to the Federal Energy Regulatory Commission (FERC) the authority to confirm and approve on a final basis or to disapprove rates developed by the Administrator under the delegation. Delegation Order No. 0204-108, as amended, was rescinded and subsequently replaced by Delegation Orders 00-037.00 (December 6, 2001) and 00-001-00B (July 28, 2005). The Deputy Secretary issued this rate order pursuant to said delegations.

*Background*

The Sam Rayburn Dam Project (Rayburn) is located on the Angelina River in the State of Texas in the Neches River Basin. Since the beginning of its operation in 1965, it has been marketed as an isolated project, under contract with Sam Rayburn Dam Electric Cooperative, Inc. (SRDEC) (Contract No. DE-PM75-92SW00215). SRDEC is comprised of two separate entities, the Sam Rayburn G&T, and the Sam Rayburn Municipal Power Agency.

This rate supersedes the annual rate of \$2,513,700 which was confirmed, approved and placed in effect on an interim basis by the Deputy Secretary of Energy on November 16, 2004, for the period January 1, 2005, through September 30, 2008. This rate has not yet been approved on a final basis by the Federal Energy Regulatory Commission (FERC).

*Discussion*

Southwestern's 2005 Current Power Repayment Study (PRS) indicates that the existing annual power rate of \$2,513,700 does not represent the lowest possible rate needed to meet cost recovery criteria. The increased revenue requirement is due to an increase in the U.S. Army Corps of Engineers (Corps) projected future replacement investment and future operations and maintenance expense estimates. The Revised PRS indicates that an increase in annual revenues of \$302,364 beginning January 1, 2006, is sufficient to accomplish repayment of the Federal investment in the required number of years. Accordingly, Southwestern developed a proposed rate schedule based on that increased revenue requirement.

Title 10, Part 903, Subpart A of the Code of Federal Regulations, "Procedures for Public Participation in Power and Transmission Rate Adjustment," has been followed in connection with the proposed rate adjustment. More specifically, opportunities for public review and comment during a 90-day period on the proposed Rayburn power rate were announced by a **Federal Register** (70 FR 51034) notice published on August 29, 2005. A Public Information Forum was scheduled to be held September 13, 2005, and a Public Comment Forum was scheduled for October 13, 2005, both in Tulsa, Oklahoma. Both forums were canceled as no one expressed an intent to participate. Written comments were due by November 28, 2005. Southwestern provided the **Federal Register** notice, together with requested supporting data, to the customer and interested parties for review and comment during the formal period of public participation. In addition, prior to the formal 90-day public participation process, Southwestern discussed with the customer representatives the preliminary information on the proposed rate adjustment. Only one formal comment was received from Gillis & Angley, Counsellors at Law, on behalf of Sam Rayburn Municipal Power Agency (an entity of Sam Rayburn Dam Electric Cooperative, Inc.), which stated that they had no objection to the proposed rate adjustment.

Upon conclusion of the comment period in November 2005, Southwestern finalized the PRS and rate schedule for the proposed annual rate of \$2,816,064, which is the lowest possible rate needed to satisfy repayment criteria. This rate represents an annual increase of 12 percent.

*Availability of Information*

Information regarding this rate increase, including studies and other supporting material, is available for public review and comment in the offices of Southwestern Power Administration, One West Third Street, Tulsa, Oklahoma 74103.

*Comments and Responses*

Southwestern received one written comment in which the customer representative expressed no objection to the proposed rate adjustment.

*Other Issues*

There were no other issues raised during the informal period or during the formal public participation period.

*Administrator's Certification*

The 2005 Revised Rayburn PRS indicates that the annual power rate of \$2,816,064 will repay all costs of the project, including amortization of the power investment consistent with provisions of the Department of Energy (DOE) Order No. RA 6120.2. In accordance with Delegation Order Nos. 00-037.00 (December 6, 2001) and 00-001.00B (July 28, 2005), and Section 5 of the Flood Control Act of 1944, the Administrator has determined that the proposed Rayburn power rate is consistent with applicable law and the lowest possible rate consistent with sound business principles.

*Environment*

The environmental impact of the rate increase proposal was evaluated in consideration of DOE's guidelines for implementing the procedural provisions of the National Environmental Policy Act, 10 CFR 1021, and was determined to fall within the class of actions that are categorically excluded from the requirements of preparing either an Environmental Impact Statement or an Environmental Assessment.

*Order*

In view of the foregoing and pursuant to the authority delegated to me, I hereby confirm, approve and place in effect on an interim basis, for the period January 1, 2006, through September 30, 2009, the annual Sam Rayburn Dam Rate of \$2,816,064 for the sale of power and energy from Sam Rayburn Dam to the Sam Rayburn Electric Cooperative, Inc., under Contract No. DE-PM75-92SW00215, dated October 7, 1992.

This rate shall remain in effect on an interim basis through September 30, 2009, or until the FERC confirms and approves the rate on a final basis.

Dated: December 23, 2005.

**Clay Sell,**

*Deputy Secretary.*

[FR Doc. E6-108 Filed 1-9-06; 8:45 am]

**BILLING CODE 6450-01-P**

**DEPARTMENT OF ENERGY****Western Area Power Administration****Central Arizona Project—Rate Order No. WAPA-124**

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Notice of order concerning transmission service rates.

**SUMMARY:** The Deputy Secretary of Energy confirmed and approved Rate Order No. WAPA-124 and Rate Schedules CAP-FT2, CAP-NFT2, and CAP-NITS2, placing transmission rates from the Central Arizona Project (CAP) of the Western Area Power Administration (Western) into effect on an interim basis. The provisional rates will be in effect until the Federal Energy Regulatory Commission (Commission) confirms, approves, and places them into effect on a final basis or until they are replaced by other rates. The provisional rates will provide sufficient revenue to pay all annual costs, including interest expense, and repayment of power investment, within the allowable periods.

**DATES:** Rate Schedules CAP-FT2, CAP-NFT2, and CAP-NITS2 will be placed into effect on an interim basis on the first day of the first full billing period beginning on or after January 1, 2006, and will be in effect until the Commission confirms, approves, and places the rate schedules in effect on a final basis through December 31, 2010, or until the rate schedules are superseded.

**FOR FURTHER INFORMATION CONTACT:** Mr. J. Tyler Carlson, Regional Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, (602) 605-7348, e-mail [carlson@wapa.gov](mailto:carlson@wapa.gov), or Mr. Jack D. Murray, Rates Team Lead, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, (602) 605-2442, e-mail [jmurray@wapa.gov](mailto:jmurray@wapa.gov).

**SUPPLEMENTARY INFORMATION:** The Deputy Secretary of Energy approved Rate Schedules CAP-FT1, CAP-NFT1, and CAP-NITS1 for transmission service on December 11, 2000 (Rate Order No. WAPA-88, 65 FR 77368,

December 11, 2000). The Commission confirmed and approved the rate schedules on July 31, 2001, in FERC Docket No. EF01-5111-000. The existing rate schedules CAP-FT1, CAP-NFT1, and CAP-NITS1 are effective from January 1, 2001, through December 31, 2005.

The existing rate schedules are being superseded by rate schedules CAP-FT2, CAP-NFT2, and CAP-NITS2. The provisional formula rates for point-to-point transmission service and Network Integration Transmission Service (NITS) on the CAP 115kV and 230-kV transmission lines are based on the calculation of a revenue requirement that recovers the CAP 115kV and 230-kV transmission lines costs for facilities associated with providing transmission service and the non-facilities costs allocated to transmission service. These rate formulas include costs for scheduling, system control, and dispatch service. The provisional rates for point-to-point transmission service on the CAP 115-kV/230-kV transmission system are determined by combining the average annual amortization costs with the average annual operations and maintenance costs, and dividing them by the average annual contract rate of delivery for the 5-year period FY 2006-FY 2010.

The revised formula rates reflect a 2.87-percent decrease for 2006 when compared to the existing CAP transmission rates, which expire December 31, 2005. The decrease in the firm point-to-point rate is the result of increased transmission reservations combined with relatively stable expenses since the approval of Rate Order WAPA-88. Implementation of the revised formula rates will result in a firm transmission service rate of \$9.55 per kilowattyear for 2006.

NITS allows a transmission customer to integrate, plan, economically dispatch, and regulate its network resources to serve its native load in a way comparable to how a transmission provider uses its own transmission system to service its native load customers. The monthly charge methodology for NITS on the CAP 115-kV and 230-kV transmission lines is the product of the transmission customer's load-ratio share times one-twelfth of the annual transmission revenue requirement. The customer's load-ratio share is calculated on a rolling 12-month basis. The customer's load-ratio share is equal to that customer's hourly load coincident with the CAP 115-kV and 230-kV transmission lines monthly transmission system peak divided by the resultant value of the CAP 115-kV and 230-kV transmission lines monthly