

provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 7 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

*Comment Date:* 5:00 p.m. Eastern Time on July August 11, 2015.

Dated: July 21, 2015.

**Kimberly D. Bose,**  
Secretary.

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BILLING CODE 6717-01-P

## DEPARTMENT OF ENERGY

### Western Area Power Administration

#### Pick-Sloan Missouri Basin Program— Eastern Division—Rate Order No. WAPA-170

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

**ACTION:** Notice of Final Transmission and Ancillary Services Formula Rates.

**SUMMARY:** The Deputy Secretary of Energy confirmed and approved Rate Order No. WAPA-170 and Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6 and WAUW-AS7. Through this notice, the Western Area Power Administration (Western), places formula transmission and ancillary services rates for Western's Pick-Sloan Missouri Basin

Program—Eastern Division (P-SMBP—ED) into effect on an interim basis. The provisional rates will be in effect until the Federal Energy Regulatory Commission (FERC) confirms, approves, and places them into effect on a final basis, or until they are superseded. The provisional formula rates will provide sufficient revenue to pay all associated annual costs, including interest expense, and repay required investment within the allowable periods.

**DATES:** 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 are effective on the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-Upper Great Plains Region (Western-UGP) transmission facilities to Southwest Power Pool, Inc. (SPP) and will remain in effect until September 30, 2020, pending approval by FERC on a final basis or until superseded. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** Mr. Lloyd Linke, Operations Manager, Upper Great Plains Region, Western Area Power Administration, 1330 41st Street, Watertown, SD 57201; telephone: (605) 882-7500; email: [Lloyd@wapa.gov](mailto:Lloyd@wapa.gov); or Ms. Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266; telephone: (406) 255-2920; email: [cady@wapa.gov](mailto:cady@wapa.gov).

**SUPPLEMENTARY INFORMATION:** Western published a **Federal Register** Notice on November 3, 2014, (79 FR 65205) announcing the proposed formula rates for transmission service, initiating a public consultation and comment period, and setting forth the dates and locations of public information and public comment forums. Western held a public information forum in Omaha, Nebraska on November 19, 2014, and a public information forum in Fargo, North Dakota, on November 20, 2014. Western explained the proposed formula rates, answered questions, and provided Rate Brochures and presentation handouts. Western held a public comment forum in Omaha, Nebraska, on December 17, 2014, and a public comment forum in Fargo, North Dakota, on December 18, 2014. These forums provided the public with opportunity to comment for the record.

On December 19, 2014, Western notified all P-SMBP—ED customers and

interested parties of an updated Rate Brochure that was available on the Web site at [www.wapa.gov/ugp/rates/default.htm](http://www.wapa.gov/ugp/rates/default.htm). This Web site also contained information about this formula rate adjustment process.

Western followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR part 903, as described above, in developing these formula rates. No individuals commented at either of the public comment forums, and Western received no comments during the consultation and comment period.

Western-UGP has signed a Membership Agreement with SPP. Upon achieving final FERC approval of membership within SPP, Western will transfer functional control of Western-UGP's P-SMBP—ED eligible transmission facilities located in the Upper Missouri Zone (UMZ or Zone 19) to SPP. Western-UGP will then merge its Western Area Power Administration, Upper Great Plains East Balancing Authority Area (WAUE) in the Eastern Interconnection into SPP's Balancing Authority Area and place its transmission system located in the Eastern Interconnection into SPP's Integrated Marketplace. Western-UGP will retain operation of its Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW) in the Western Interconnection as the Balancing Authority, and will not place its transmission system located in the Western Interconnection into SPP's Integrated Marketplace. Even though SPP's Integrated Marketplace will not extend into the Western Interconnection, Western-UGP's eligible transmission facilities in the Western Interconnection will be included under SPP's Tariff to allow SPP to provide transmission service over all of Western-UGP's eligible transmission facilities in the UMZ regardless of whether they are located in the Eastern or Western Interconnection. The UMZ is a single SPP rate zone that includes Western-UGP's transmission facilities located in the Eastern and Western Interconnections. Therefore, one formula rate schedule WAUGP-ATRR will calculate the Annual Transmission Revenue Requirement (ATRR) for all of Western-UGP's eligible transmission facilities that are transferred to the functional control of SPP and used by SPP to provide transmission service under the SPP Tariff. For 2015, the Western-UGP estimated ATRR is \$123,816,622 based on facilities that Western-UGP has proposed to be included per Attachment AI of SPP's

Tariff and feedback from SPP regarding Attachment AI qualifying criteria. The list of Western-UGP facilities proposed for inclusion is available on the Web site at [www.wapa.gov/ugp/rates/default.htm](http://www.wapa.gov/ugp/rates/default.htm).

Western-UGP has also developed a formula rate schedule WAUGP-AS1 for Scheduling, System Control, and Dispatch Service (SSCD), which will include Western-UGP's costs associated with providing this service in the UMZ, and formula rate schedules to calculate charges for ancillary services associated with WAUW. These ancillary services formula rate schedules are necessary because the Western-UGP transmission facilities in WAUW are not included within SPP's Integrated Marketplace, and SPP's standard market-based ancillary services will not be available. As a result, when SPP provides transmission service in the WAUW, the associated ancillary services will need to be provided by Western-UGP as the Balancing Authority, if it is capable of doing so. These ancillary service formula rate schedules include WAUW-AS3 for Regulation and Frequency Response Service, WAUW-AS4 for Energy Imbalance Service, WAUW-AS5 for Operating Reserve—Spinning Reserve Service, WAUW-AS6 for Operating Reserve—Supplemental Reserve Service and WAUW-AS7 for Generator Imbalance Service.

The provisional transmission and ancillary service rate schedules contain formula-based rates that will be recalculated annually and submitted to SPP to provide and bill for services under the SPP Tariff. The formulas in these rate schedules use estimates for the upcoming year to calculate revenue requirements and have a true-up to actual costs in a subsequent year.

By Delegation Order No. 00-037.00A, effective October 25, 2013, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to Western'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, to remand, or to disapprove such rates to FERC. Existing Department of Energy procedures for public participation in power rate adjustments (10 CFR part 903) were published on September 18, 1985.

Under Delegation Order Nos. 00-037.00A and 00-001.00E, and in compliance with 10 CFR part 903 and 18 CFR part 300, I hereby confirm, approve, and place Rate Order No. WAPA-170 and the proposed formula rates for transmission and ancillary

services into effect on an interim basis. The new Rate Schedules WAUGP-ATTR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6 and WAUW-AS7 will be submitted promptly to FERC for confirmation and approval on a final basis.

Dated: July 17, 2015.

**Elizabeth Sherwood-Randall,**  
*Deputy Secretary of Energy.*

**DEPARTMENT OF ENERGY**  
**DEPUTY SECRETARY**

In the matter of: *Western Area Power Administration, Rate Adjustment for the Pick-Sloan, Missouri Basin Program—Eastern Division*

Rate Order No. WAPA-170

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

These transmission and ancillary services formula rates are established in accordance with section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152). 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 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 other Acts that specifically apply to the project involved.

By Delegation Order No. 00-037.00A, effective October 25, 2013, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to Western'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, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission (FERC). Existing DOE procedures for public participation in power rate adjustments (10 CFR part 903) were published on September 18, 1985.

**Acronyms and Definitions**

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

*\$/MW-year*: Annual charge for capacity (*i.e.*, \$ per megawatt (MW) per year).

*A&GE*: Administrative and General Expense.

*ATTR*: Annual Transmission Revenue Requirement.

*Balancing Authority (BA)*: 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.

*Balancing Authority Area*: An electric system or systems, bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule with other Balancing Authorities and contributing to frequency regulation of the Interconnection.

*Basin Electric*: Basin Electric Power Cooperative.

*Capacity*: The electric capability of a generator, transformer, transmission circuit, or other equipment, expressed in kilowatts (kW).

*Corps*: U.S. Army Corps of Engineers.

*DOE*: United States Department of Energy.

*Eastern Interconnection*: A major alternating-current electrical 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).

*Energy*: Power produced or delivered over a period of time. Measured in terms of the work capacity over a period of time. It is expressed in kilowatt hours.

*Energy Imbalance Service*: A service that provides energy correction for any hourly mismatch between a Southwest Power Pool Transmission Customer's energy supply and the demand served.

*FERC*: Federal Energy Regulatory Commission.

*FRN*: **Federal Register** notice.

*Generator Imbalance Service*: A service that provides energy correction for any hourly mismatch between generator output and a delivery schedule from that generator to another Balancing Authority Area or to a load within the same Balancing Authority Area.

*Heartland*: Heartland Consumers Power District.

*Integrated System (IS)*: Transmission system combining assets of Western-UGP, Basin Electric, and Heartland prior to Western-UGP's integration into SPP.

*Intermittent Resource*: An electric generator that is not dispatchable and cannot store its fuel source and, therefore, cannot respond to changes in demand or respond to transmission security restraints.

*Kilowatt (kW)*: Electrical unit of capacity that equals 1,000 watts.

*Kilowatt hour (kWh)*: Electrical unit of energy that equals 1,000 watts in 1 hour.

*Load*: The amount of electric power or energy delivered or required at any specified point(s) on a system.

*Megawatt (MW)*: The electrical unit of capacity that equals 1 million watts or 1,000 kilowatts.

*NEPA*: National Environmental Policy Act of 1969 (42 U.S.C. 4321-4347).

*Open Access Same-Time Information System (OASIS)*: An electronic posting system that

a service provider maintains for transmission access data that allows all customers to view information simultaneously.

*O&M:* Operation and Maintenance.

*P-SMBP:* Pick-Sloan Missouri Basin Program.

*P-SMBP ED:* Pick-Sloan Missouri Basin Program—Eastern Division.

*Provisional Rate:* A rate that has been confirmed, approved, and placed into effect on an interim basis by the Deputy Secretary of Energy.

*Rate Brochure:* A document prepared for public distribution explaining the rationale and background for the rate proposal contained in this rate order.

*Regulation and Frequency Response Service:* A service that provides for following the moment-to-moment variations in the demand or supply in a Balancing Authority Area and maintaining scheduled interconnection frequency.

*Reserve Services:* Spinning Reserve Service and Supplemental Reserve Service.

*Revenue Requirement:* The revenue required to recover annual expenses (such as O&M, purchase power, transmission service expenses, interest expense, and deferred expenses) and repay Federal investments, and other assigned costs.

*Schedule:* An agreed-upon transaction size (megawatts), beginning and ending ramp times and rate, and type of service required for delivery and receipt of power between the contracting parties and the Balancing Authority(ies) involved in the transaction.

*Scheduling, System Control and Dispatch Service:* A service that provides for (a) scheduling, (b) confirming and implementing an interchange schedule with other balancing authorities, including intermediary balancing authorities providing transmission service, and (c) ensuring operational security during the interchange transaction.

*Southwest Power Pool, Inc. (SPP):* A Regional Transmission Organization.

*SPP's Integrated Marketplace (Integrated Marketplace):* The SPP Energy and Operating Reserve Markets and the Transmission Congestion Rights Markets.

*Spinning Reserve Service:* Generation capacity needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output.

*Supplemental Reserve Service:* Generation capacity needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generation units that are on-line but unloaded, by quick start generation or by interruptible load.

*System:* An interconnected combination of generation, transmission and/or distribution components comprising an electric utility, independent power producer(s) (IPP), or group of utilities and IPP(s).

*SPP Tariff:* Southwest Power Pool, Open Access Transmission Tariff, approved by FERC.

*SPP Transmission Customer:* Any eligible customer (or its designated agent) that

receives transmission service under the SPP Tariff.

*Transmission Provider:* Any utility that owns, operates, or controls facilities used to transmit electric energy in interstate commerce. SPP is the Transmission Provider under the SPP Tariff.

*Transmission System:* The facilities owned, controlled, or operated by the transmission owner or Transmission Provider that are used by the Transmission Provider to provide transmission service.

*Upper Missouri Zone (UMZ):* Multi-owner zone in SPP in which Western-UGP will participate as a Transmission Owner; also defined as Zone 19 under the SPP Tariff. The UMZ includes transmission facilities located in both the Eastern and Western Interconnections.

*WAUE:* Western Area Power Administration, Upper Great Plains East Balancing Authority Area. WAUE is located in the Eastern Interconnection, and will cease to exist when it is merged into the SPP Balancing Authority Area.

*WAUW:* Western Area Power Administration, Upper Great Plains West Balancing Authority Area. WAUW is located in the Western Interconnection.

*Watertown Operations Office:* Western Area Power Administration, Upper Great Plains Region, Operations Office, 1330 41st Street SE., Watertown, South Dakota.

*Western:* United States Department of Energy, Western Area Power Administration.

*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.

*Western-UGP:* United States Department of Energy, Western Area Power Administration, Upper Great Plains Region. Western-UGP is the definition for Western's Upper Great Plains Region in the SPP Tariff.

### Effective Date

Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7 are effective on the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and will remain in effect until September 30, 2020, pending approval by FERC on a final basis or until superseded. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

### Public Notice and Comment

Western followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR part 903, in developing these formula rates. The steps Western took to involve interested parties in the rate process were:

1. A FRN was published on November 3, 2014, (79 FR 65205) announcing the proposed rates for transmission service, initiating a public consultation and comment period, and setting forth the dates and locations of public information and public comment forums.

2. On November 3, 2014, Western notified all P-SMBP—ED customers and interested parties of the proposed rates and provided a copy of the published FRN.

3. On November 19, 2014, Western held a public information forum in Omaha, Nebraska; and on November 20, 2014, Western held a public information forum in Fargo, North Dakota. Western explained the proposed rates, answered questions, and provided Rate Brochures and presentation handouts.

4. On December 17, 2014, Western held a public comment forum in Omaha, Nebraska; and on December 18, 2014, Western held a public comment forum in Fargo, North Dakota. This provided the public with opportunity to comment for the record. No individuals commented at either of these forums.

5. On December 19, 2014, Western notified all P-SMBP—ED customers and interested parties of an updated Rate Brochure that was available on the Web site at [www.wapa.gov/ugp/rates/default.htm](http://www.wapa.gov/ugp/rates/default.htm).

6. Western did not receive any oral or written comments during the consultation and comment period.

7. Western provided a Web site for information about this rate adjustment process. The Web site is located at [www.wapa.gov/ugp/rates/default.htm](http://www.wapa.gov/ugp/rates/default.htm).

### Comments

No oral or written comments were received during the consultation and comment period.

### Project Description

The initial stages of the Missouri River Basin Project were authorized by section 9 of the Flood Control Act of 1944 (58 Stat. 887, 890, Pub. L. 78-534). It was later renamed the P-SMBP. The P-SMBP is a comprehensive program with the following authorized functions: Flood control, navigation improvement, irrigation, municipal and industrial water development, and hydroelectric production for the entire Missouri River

Basin. Multipurpose projects have been developed on the Missouri River and its tributaries in Colorado, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.

Western-UGP markets significant quantities of Federally-generated hydroelectric power from the P-SMBP—ED. This power is generated by eight power plants located in Montana, North Dakota, and South Dakota. Western-UGP owns and operates from its Watertown Operations Office an extensive system of high-voltage transmission facilities that Western-UGP uses to market approximately 2,400 MW of capacity from Federal projects within the Missouri River Basin to customers located within the P-SMBP—ED. This marketing area includes Montana, east of the Continental Divide, all of North and South Dakota, eastern Nebraska, western Iowa, and western Minnesota.

Historically, the Western-UGP transmission facilities in the P-SMBP—ED have been integrated with transmission facilities of Basin Electric and Heartland to provide transmission services over the IS. The IS included approximately 9,848 miles of transmission lines, with transmission and ancillary services provided under Western's Open Access Transmission Tariff, and Western-UGP serving as the IS administrator. The IS included transmission facilities located in both the Eastern and Western Interconnections separated by the Miles City direct current (DC) tie and the Fort Peck Power Plant substation. Western-UGP also has operated two Balancing Authority Areas within the IS—WAUW and WAUE—that were also separated by the Miles City DC tie and the Fort Peck Power Plant substation. Western-UGP's historic rate schedules for the IS consisted of separate rates for firm and non-firm transmission service and ancillary services rates for the transmission facilities in the P-SMBP—ED.

On November 1, 2013, Western published a Notice of Recommendation to Pursue Regional Transmission Organization Membership (78 FR 65641). Subsequently, Western-UGP has signed a Membership Agreement with SPP. Upon achieving final FERC approval of membership within SPP, Western-UGP will transfer functional control of all eligible Western-UGP P-SMBP—ED facilities in the Eastern and Western Interconnections, which include nearly 100 substations and 7,800 miles of transmission lines, to SPP. Subsequently, P-SMBP—ED transmission and ancillary services will no longer be available on the IS under Western's Open Access Transmission

Tariff, but instead will be available from SPP as the Transmission Provider under SPP's Tariff.

#### **P-SMBP—ED Transmission and Ancillary Services Rate Study**

Existing IS Rate Schedules UGP-NT1, UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7, and UGP-TSP1 were approved under Rate Order Nos. WAPA-144 and WAPA-148 for a 5-year period beginning on January 1, 2010, and ending December 31, 2014. These rates were extended through December 31, 2016, under Rate Order No. WAPA-168. When Western-UGP transfers functional control of its eligible P-SMBP—ED facilities to SPP, the existing Rate Schedules UGP-NT1, UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7, and UGP-TSP1 will not be applicable.

When Western-UGP transfers functional control of P-SMBP—ED eligible transmission facilities located in the Upper Missouri Zone (UMZ or Zone 19) to SPP, Western-UGP will merge its WAUE in the Eastern Interconnection into SPP's Balancing Authority Area and place its transmission system located in the Eastern Interconnection into SPP's Integrated Marketplace. Western-UGP will retain operation of its WAUW in the Western Interconnection as the Balancing Authority, and will not place its transmission system located in the Western Interconnection into SPP's Integrated Marketplace. Even though SPP's Integrated Marketplace will not extend into the Western Interconnection, Western-UGP's eligible transmission facilities in the Western Interconnection will be included under SPP's Tariff to allow SPP to provide transmission service over all of Western-UGP's eligible transmission facilities in the UMZ regardless of whether they are located in the Eastern or Western Interconnection. The UMZ is a single SPP rate zone that includes Western-UGP's transmission facilities located in the Eastern and Western Interconnections. Therefore, one formula rate schedule, WAUGP-ATRR, will calculate the Annual Transmission Revenue Requirement (ATRR) for all of Western-UGP's eligible transmission facilities that are transferred to the functional control of SPP and used by SPP to calculate charges for transmission service under the SPP Tariff. Western-UGP will utilize a formula template to calculate its ATRR.

Western-UGP has also developed formula rate schedule WAUGP-AS1 for Scheduling, System Control, and Dispatch Service (SSCD), which will

include Western-UGP's costs associated with providing this service in the UMZ, and formula rate schedules to calculate charges for ancillary services associated with its WAUW. These ancillary services formula rate schedules are necessary because the Western-UGP transmission facilities in its WAUW are not included within SPP's Integrated Marketplace, and SPP's standard market-based ancillary services will not be available. Therefore, when SPP provides transmission service in the WAUW, the associated ancillary services will need to be provided by Western-UGP as the Balancing Authority. These ancillary service formula rate schedules include WAUW-AS3 for Regulation and Frequency Response Service, WAUW-AS4 for Energy Imbalance Service, WAUW-AS5 for Operating Reserve—Spinning Reserve Service, WAUW-AS6 for Operating Reserve—Supplemental Reserve Service and WAUW-AS7 for Generator Imbalance Service.

The provisional formula rates for use under SPP's Tariff include Transmission and Ancillary Service Rates as described in Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7. These rates will be submitted to SPP as the Transmission Provider in order for SPP to bill SPP Transmission Customers for transmission and ancillary services that SPP provides over Western-UGP's transmission facilities under the SPP Tariff. The costs under the formulas in these rate schedules will be recalculated annually and those utilizing estimates for the upcoming year to calculate revenue requirements will include a true-up to actual costs in a subsequent year. The annual revenue requirements include O&M expenses, A&G&E, interest expense, and depreciation expense and are offset by appropriate estimated revenue credits. Annual audited financial data will be used to true-up the cost estimates and credit estimates used to project these forward-looking rates to the actual expenses and credits. Western-UGP will true-up the estimates it used in the calculation of its calendar year 2013, 2014, and 2015 IS rate charges that were in place prior to joining SPP when calculating these true-up rates. This IS true-up will only include Western-UGP's portion of the IS revenue requirement, and these provisional formula rates for use under the SPP Tariff will only include Western-UGP's IS true-up, if applicable. The IS true-up, if any, associated with the other IS owners' portion of the IS revenue requirement is outside the

scope of this rate process, and would be addressed by other IS owners.

Western prepared Transmission and Ancillary Services rates studies to ensure that the formula rates are based on the cost of service of the Western-

UGP eligible transmission facilities that will be transferred to the functional control of SPP and the associated operation of the WAUW. These studies included all applicable expenses and associated offsetting revenues.

**Provisional Rates**

The revenue requirements for 2015 for the individual services are outlined in the following table.

**PROVISIONAL WESTERN-UGP TRANSMISSION AND ANCILLARY SERVICES FORMULA RATES**

Service	Rate schedule No.	Provisional 2015 annual revenue requirement <sup>1</sup>
Transmission .....	WAUGP-ATRR .....	<sup>2</sup> \$123,816,622
Scheduling, System Control, and Dispatch .....	WAUGP-AS1 .....	<sup>2</sup> 11,384,293
Regulation and Frequency Response .....	WAUW-AS3 .....	294,308
Operating Reserves—Spinning and Supplemental Reserves.	WAUW-AS5 and WAUW-AS6 .....	232,291
Energy Imbalance .....	WAUW-AS4 .....	N/A
Generator Imbalance .....	WAUW-AS7 .....	N/A

<sup>1</sup> The new provisional formula rates and rate schedules will take effect on the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP.

<sup>2</sup> ATRR estimate based upon facilities that Western-UGP has proposed to be included per Attachment AI of SPP's Tariff and feedback from SPP regarding Attachment AI qualifying criteria. The list of Western-UGP facilities proposed for inclusion is available on the Web site at [www.wapa.gov/ugp/rates/default.htm](http://www.wapa.gov/ugp/rates/default.htm).

**Certification of Rates**

Western's Administrator certified that the provisional formula rates for Transmission and Ancillary Services are the lowest possible rates consistent with sound business principles. The provisional formula rates were developed following administrative policies and applicable laws.

**Transmission Rate Discussion**

*Formula Rate for Transmission Service*

Western-UGP will recover its transmission system related expenses and investments on a forward-looking basis by using projections to estimate transmission costs for the upcoming year, with a true-up in a subsequent year. For transmission service provided by SPP as the Transmission Provider under SPP's Tariff, Western-UGP will provide its ATRR to SPP for determination of charges. SPP will use zonal and regional load and other applicable information, including additional annual transmission revenue requirements from other transmission owners with transmission facilities in the multi-owner UMZ to determine the applicable charges for SPP transmission service in the UMZ. The ATRR is derived by annualizing Western-UGP's transmission investment and adding transmission-related annual costs, which consist of O&M, interest expense, and depreciation. Western-UGP cost data will be submitted to SPP in standard revenue requirement templates. The annual costs are reduced by revenue credits received by Western-UGP under the SPP Tariff.

Data used in the annual recalculation of the costs under the formula for WAUGP-ATRR effective on January 1

each year will be made available to SPP and interested parties for review and comment on or shortly after September 1 each preceding year. Data used and the revenue requirement resulting from using these formulas will be posted on the applicable SPP Web site and/or SPP OASIS. Western-UGP will provide interested parties the opportunity to discuss and comment on the recalculated WAUGP-ATRR on or before October 31, 2015, and October 31 of subsequent years. This procedure will ensure that interested parties are aware of the data used to calculate the WAUGP-ATRR. This will also provide interested parties the opportunity to comment before the costs are collected through the formula rate.

*Formula Rate for Scheduling, System Control, and Dispatch Service*

Western-UGP will use a formula-based rate methodology to calculate its annual revenue requirement for SSCD on a forward-looking basis by using projections to estimate applicable transmission-related costs associated with SSCD for the upcoming year, with a true-up in a subsequent year, to be provided to SPP for inclusion in Schedule 1 under the SPP Tariff. A single SSCD rate applies for Western-UGP's costs associated with providing SSCD in both the Eastern and Western Interconnections under the SPP Tariff. Western-UGP's annual revenue requirement for SSCD will be used by SPP to determine the regional SPP Schedule 1 rate for SPP through and out transactions, and also to determine the zonal SPP Schedule 1 rate for the UMZ. SSCD is required to schedule the movement of power through, out of,

within, or into the SPP Balancing Authority Area and/or the WAUW. Therefore, Western's SSCD will also be charged by SPP for transmission service within the Western Interconnection. Western-UGP's annual revenue requirement for SSCD is derived by calculating Western-UGP's applicable transmission-related annual costs associated with SSCD service, including O&M, interest expense, A&GE, and depreciation.

Western-UGP will true-up the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned through a credit in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

*Formula Rate for Regulation and Frequency Response Service*

Western-UGP will use a formula-based rate methodology for Regulation and Frequency Response Service for the WAUW as described below. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP as the BA will need to provide Regulation and Frequency Response Service in the WAUW, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff. Regulation and Frequency Response Service in the WAUW is provided primarily by Corps facilities. The Corps'

generation calculated fixed charge rate (in percent) is applied to the net plant investment of the Corps generation to derive an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is applied to the capacity of Corps generation reserved for Regulation and Frequency Response Service in the WAUW, producing the annual Corps generation cost for this service. Western-UGP's annual revenue requirement for Regulation and Frequency Response Service is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the purchase of power resources to provide Regulation and Frequency Response Service to support intermittent renewable resources as described below. Western-UGP's annual revenue requirement will be recovered under the SPP Tariff under Rate Schedule WAUW-AS3.

Western-UGP will true-up the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned through a credit in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western-UGP has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, provided that Western-UGP is able to purchase additional power resources delivered into WAUW to provide Regulation and Frequency Response Service to intermittent renewable generation resources serving load within the WAUW, costs for these regulation resources will become part of Western-UGP's Regulation and Frequency Response Service. However, Western-UGP will not regulate for the difference between the output of an Intermittent Resource located within the WAUW and a delivery schedule from that generator serving load located outside of the WAUW. Intermittent Resources serving load outside the WAUW will be required to be pseudo-tied or

dynamically scheduled to another Balancing Authority Area.

#### *Formula Rate for Energy Imbalance Service*

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within the WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP as the BA will need to provide Energy Imbalance Service in the WAUW, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff. Western-UGP will offer this service, if it is capable of doing so, from its own resources or from resources available to it when transmission service is provided by SPP and used to serve load within the WAUW. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation. A SPP Transmission Customer may incur a charge for either hourly energy imbalances under this Rate Schedule, WAUW-AS4, or hourly generator imbalances under Rate Schedule WAUW-AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

The rate for service within the WAUW will be based on deviation bands as follows: (i) deviations within  $\pm 1.5$  percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost for the month; (ii) deviations greater than  $\pm 1.5$  percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction(s) to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost when energy taken by the SPP Transmission Customer in a schedule hour is greater than the energy scheduled or 90 percent of incremental cost when energy taken by a SPP Transmission Customer in a schedule hour is less than the scheduled amount; and (iii) deviations greater than  $\pm 7.5$

percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of the highest incremental cost that occurs that day for energy taken by the SPP Transmission Customer in a schedule hour that is greater than the energy scheduled, or 75 percent of the lowest incremental cost that occurs that day when energy taken by a SPP Transmission Customer is less than the scheduled amount.

Western-UGP's incremental cost will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

#### *Formula Rates for Operating Reserves Service—Spinning and Supplemental*

Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP as the BA will need to provide Operating Reserve—Spinning Reserve Service and Operating Reserve—Supplemental Reserve Service (together referred to as Reserve Services) in the WAUW, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff. Western-UGP will offer these services under the formula-based rate methodologies for Spinning Reserve Service and Supplemental Reserve Service and will use the reserve requirement of the reserve sharing program under which Western-UGP is currently a member for its transmission system in the Western Interconnection.

Western-UGP's annual cost of generation for Reserve Services is determined by multiplying the Corps' generation fixed charge rate (in percent) by the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Reserve Services in the WAUW, producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Reserve Services is

derived by taking the annual Corps generation cost to provide this service and adding costs associated with the current reserve sharing program. Western-UGP's annual revenue requirement will be recovered under the SPP Tariff under Rate Schedules WAUW-AS5 and WAUW-AS6.

Western-UGP will true-up the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned through a credit in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

Western-UGP has no long-term reserves available beyond its own internal requirements. At SPP's request as the Transmission Provider, and if it is capable of doing so, Western-UGP will acquire needed resources and pass the costs, plus an amount for administration, on to SPP for the requesting SPP Transmission Customer. The SPP Transmission Customer is responsible to provide the transmission to deliver these reserves. In the event that Reserve Services are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days prior to use for determining the prevailing market energy rate and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

#### *Formula Rate for Generator Imbalance Service*

Generator Imbalance Service is provided when a difference occurs between the output of a generator located within the WAUW and a delivery schedule from that generator to: (1) another Balancing Authority Area or (2) a load within the WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP as the BA must provide Generator Imbalance Service in the WAUW, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff.

Western-UGP will offer this service, if it is capable of doing so, from its own resources or from resources available to it, when SPP transmission service is used to deliver energy from a generator located within the WAUW. The SPP Transmission Customer must either purchase this service from SPP, or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. A SPP Transmission Customer may incur a charge for either hourly generator imbalances under this Rate Schedule, WAUW-AS7, or hourly energy imbalances under Rate Schedule WAUW-AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western-UGP has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an Intermittent Resource located within the WAUW and a delivery schedule from that generator serving load located outside of the WAUW. Intermittent Resources serving load outside the WAUW will be required to be pseudo-tied or dynamically scheduled to another Balancing Authority Area.

The rate for service within the WAUW will be based on deviation bands as follows: (i) deviations within  $\pm 1.5$  percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost; (ii) deviations greater than  $\pm 1.5$  percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the

incremental cost; and (iii) deviations greater than  $\pm 7.5$  percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered from the generation resource is greater than the scheduled amount. An Intermittent Resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions in order to respond to directives by SPP as the Transmission Provider, a Balancing Authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially at the end of the month at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

Western-UGP's incremental cost will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

#### **Availability of Information**

All documents related to this action are available for inspection and copying at the Upper Great Plains Regional Office, located at 2900 4th Avenue North, Billings, Montana. These documents are also available on Western's Web site located at <http://www.wapa.gov/ugp/rates>.

#### **RATEMAKING PROCEDURE REQUIREMENTS**

##### **Environmental Compliance**

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321-4347); the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500-1508), and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021), Western has determined that this action is

categorically excluded from preparing an environmental assessment or an environmental impact statement. A copy of the categorical exclusion determination is available on Western-UGP's Web site located at <http://www.wapa.gov/ugp/Environment>.

#### Determination Under Executive Order 12866

Western 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 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 foregoing and under the authority delegated to me, I confirm and approve on an interim basis, effective on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, 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 for the Pick-Sloan Missouri Basin Program—Eastern Division Project of the Western Area Power Administration. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**. The rate schedules shall remain in effect on an interim basis, pending the Federal Energy Regulatory Commission's confirmation and approval of the rate schedules or substitute rates on a final basis through September 30, 2020, or until the rate schedules are superseded.

Dated: July 17, 2015

Elizabeth Sherwood-Randall  
Deputy Secretary of Energy

Rate Schedule WAUGP-ATRR  
October 1, 2015

#### 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

##### Effective

On the first full day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

##### Applicable

Western Area Power Administration-Upper Great Plains Region's (Western-UGP) formula based Annual Transmission Revenue Requirement (ATRR) for its eligible transmission related facilities included under the Southwest Power Pool, Inc. (SPP) Tariff shall be calculated using the formula outlined below.

##### Formula Rate

##### Define:

- A = Operation & Maintenance allocated to transmission (\$)
  - B = Depreciation allocated to transmission (\$)
  - C = Interest Expense allocated to transmission (\$)
  - D = Revenue Credits (\$)
  - E = Scheduling, System Control, and Dispatch costs (\$)
  - F = Prior Period True-up (\$)
- $$\text{ATRR} = A + B + C - D - E + F$$

Note: Western-UGP will identify any portion of the ATRR eligible for SPP Region-wide cost sharing pursuant to the SPP Tariff in its Rate Formula Template submitted under Attachment H of the SPP Tariff.

A recalculated annual revenue requirement will go into effect every January 1 based on the above formula and updated financial data. Western-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. Data used and the charges resulting from using this

formula will be posted on the applicable SPP Web site and/or SPP Open Access Same-Time Information System.

Rate Schedule WAUGP-AS1

October 1, 2015

#### 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

##### Effective

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

##### Applicable

Scheduling, System Control, and Dispatch Service (SSCD) is required to schedule the movement of power through, out of, within, or into the Southwest Power Pool, Inc. (SPP) Balancing Authority Area and/or the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Western Area Power Administration-Upper Great Plains Region's (Western-UGP) 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 Western Interconnection.

##### Formula Rate

##### Define:

- A = Operation & Maintenance for SSCD (\$)
  - B = Administrative and General Expense for SSCD (\$)
  - C = Depreciation for SSCD (\$)
  - D = Taxes Other than Income Taxes for Transmission (\$)
  - E = Allocation of General Plant for SSCD (\$)
  - F = Cost of Capital for SSCD (\$)
  - G = SSCD Revenue from non-Transmission facilities (\$)
  - H = Prior Period True-up (\$)
- $$\text{SSCD Annual Revenue Requirement} = A + B + C + D + E + F - G + H$$

A recalculated annual revenue requirement will go into effect every January 1 based on the above formula and updated financial data. Western-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. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP Open Access Same-Time Information System.

Rate Schedule WAUW-AS3

October 1, 2015

**UNITED STATES DEPARTMENT OF ENERGY**

**WESTERN AREA POWER ADMINISTRATION**

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

**REGULATION AND FREQUENCY RESPONSE SERVICE—WAUW**

*Effective*

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

*Applicable*

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Regulation and Frequency Response Service (Regulation) is necessary to provide for the continuous balancing of resources, generation, and interchange with load and for maintaining scheduled interconnection frequency at 60 cycles per second (60 Hz). Regulation is accomplished by committing on-line generation whose output is raised or lowered, predominantly through the use of automatic generating control equipment, as necessary, to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with the Western Area Power Administration-Upper Great Plains Region (Western-UGP) as the WAUW operator. The SPP Transmission Customer must either purchase this service from SPP or make alternative

comparable arrangements pursuant to the SPP Tariff to satisfy its Regulation obligation. Western-UGP's annual revenue requirement for Regulation (outlined below) will be used by SPP to calculate the WAUW charges for Regulation.

Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. When Western-UGP purchases power resources to provide Regulation to intermittent resources serving load within Western-UGP's WAUW, costs for these regulation resources will become part of Western's Regulation revenue requirement, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff. However, Western-UGP will not regulate for the difference between the output of an intermittent resource located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent resources serving load outside Western-UGP's WAUW will be required to be pseudo-tied or dynamically scheduled to another Balancing Authority Area.

An intermittent resource, for the limited purpose of this Rate Schedule, is an electric generator that is not dispatchable and cannot store its fuel source and, therefore, cannot respond to changes in demand or respond to transmission security constraints.

*Formula Rate*

*Define:*

A = U.S. Army Corps of Engineers (Corps)

Fixed Charge Rate (%)

B = Corps Generation Net Plant Costs (\$)

C = Plant Capacity (kW)

D = Capacity Used for Regulation (kW-year)

E = Capacity Purchases for Regulation (\$)

F = Prior Period True-up

Regulation Annual Revenue Requirement =  
(A \* B/C) \* D + E + F

A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial data. Western-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. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP Open Access Same-Time Information System.

Rate Schedule WAUW-AS4

October 1, 2015

**UNITED STATES DEPARTMENT OF ENERGY**

**WESTERN AREA POWER ADMINISTRATION**

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

**ENERGY IMBALANCE SERVICE—WAUW**

*Effective*

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

*Applicable*

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Energy Imbalance Service is provided when a difference occurs between scheduled and actual delivery of energy to a load located within Western Area Power Administration-Upper Great Plains Region's (Western-UGP) WAUW over a single hour. Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP, as the Balancing Authority, will offer to provide Energy Imbalance Service in the WAUW, if it is capable of doing so, from its own resources or from resources available to it, at the request of SPP, as the Transmission Provider, when transmission service is provided by SPP and used to serve load within the WAUW. Energy Imbalance Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP, or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.

The SPP Transmission Customer will incur a charge for either hourly energy imbalances under this Schedule, WAUW-AS4, or hourly generator imbalances under Rate Schedule WAUW-AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

*Formula Rate*

For deviations within  $\pm 1.5$  percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost.

Deviations greater than  $\pm 1.5$  percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy taken in a schedule hour is greater than the energy scheduled, the charge is 110 percent of incremental cost. When energy taken is less than the scheduled amount, the credit is 90 percent of the incremental cost.

Deviations greater than  $\pm 7.5$  percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's incremental cost when energy taken in a schedule hour is greater than the energy scheduled or 75 percent of Western-UGP's incremental cost when energy taken by a SPP Transmission Customer is less than the scheduled amount.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's Open Access Same-Time Information System (OASIS) at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

The pricing and charge for deviations in the above deviation bandwidths is as specified above. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP OASIS.

Rate Schedule WAUW-AS5

October 1, 2015

**UNITED STATES DEPARTMENT OF ENERGY**

**WESTERN AREA POWER ADMINISTRATION**

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

**OPERATING RESERVE—SPINNING RESERVE SERVICE—WAUW**

*Effective*

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

*Applicable*

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Operating Reserve-Spinning Reserve Service (Spinning Reserves) is needed to serve load immediately in the event of a system contingency. Spinning Reserves may be provided by generating units that are on-line and loaded at less than maximum output. Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace will not be extended into the Western Interconnection, Western Area Power Administration-Upper Great Plains Region (Western-UGP), as the Balancing Authority, will offer to provide Spinning Reserves, if available, at the request of SPP as the Transmission Provider in the WAUW. Operating Reserve-Spinning Reserve Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Spinning Reserves obligation. Western-UGP's annual revenue requirement for Spinning Reserves (outlined below) will be utilized by SPP to calculate the WAUW charges for Spinning Reserves.

*Formula Rate*

*Define:*

A = U.S. Army Corps of Engineers (Corps)  
Fixed Charge Rate (%)  
B = Corps Generation Net Plant Costs (\$)  
C = Plant Capacity (kW)

D = Maximum Load in the WAUW (kW)

E = Maximum Generation in the WAUW (kW)

F = Reserve Sharing Program Requirement based upon Load (%)—See Note 1

G = Reserve Sharing Program Requirement based upon Generation (%)—See Note 2

H = Prior Period True-up

Note 1: Currently 3% in the Northwest Power Pool (NWPP) Reserve Sharing Program

Note 2: Currently 3% in the NWPP Reserve Sharing Program

Spinning Reserves Annual Revenue

Requirement =  $(A * B/C) * ((D * F) + (E * G)) + H$

A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial, load/generation, and Reserve Sharing Program requirements data. Western-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. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP Open Access Same-Time Information System (OASIS).

If resources are not available from a Western-UGP resource, Western-UGP, at the request of SPP as the Transmission Provider, will offer to purchase the Spinning Reserves and pass through the costs, plus an amount for administration, to SPP for the SPP Transmission Customer.

In the event that Spinning Reserves are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days before use for determining the prevailing market energy rate and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index. The SPP Transmission Customer would be responsible for providing transmission service to get the Spinning Reserves to its destination.

## Rate Schedule WAUW-AS6

October 1, 2015

**UNITED STATES DEPARTMENT OF ENERGY****WESTERN AREA POWER ADMINISTRATION****UPPER GREAT PLAINS REGION PICK-SLOAN MISSOURI BASIN PROGRAM—EASTERN DIVISION****OPERATING RESERVE— SUPPLEMENTAL RESERVE SERVICE—WAUW***Effective*

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

*Applicable*

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Operating Reserve-Supplemental Reserve Service (Supplemental Reserves) is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserves may be provided by generating units that are on-line but unloaded, by quick-start generation, or by interruptible load. Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace will not be extended into the Western Interconnection, Western Area Power Administration-Upper Great Plains Region (Western-UGP), as the Balancing Authority, will offer to provide Supplemental Reserves, if available, at the request of SPP as the Transmission Provider, in the WAUW. Operating Reserve-Supplemental Reserve Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Supplemental Reserves obligation. Western-UGP's annual revenue requirement for Supplemental Reserves (outlined below) will be utilized by SPP to calculate the WAUW charges for Supplemental Reserves.

*Formula Rate**Define:*

A = U.S. Army Corps of Engineers (Corps)

Fixed Charge Rate (%)

B = Corps Generation Net Plant Costs (\$)

C = Plant Capacity (kW)

D = Maximum Load in the WAUW (kW)

E = Maximum Generation in the WAUW (kW)

F = Reserve Sharing Program Requirement based upon Load (%)—See Note 1

G = Reserve Sharing Program Requirement based upon Generation (%)—See Note 2

H = Prior Period True-up

Note 1: Currently 3% in the Northwest Power Pool (NWPP) Reserve Sharing Program

Note 2: Currently 3% in the NWPP Reserve Sharing Program

Supplemental Reserves Annual Revenue Requirement = (A \* B/C) \* ((D \* F) + (E \* G)) + H

A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial, load/generation, and Reserve Sharing Program requirements data. Western-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. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP Open Access Same-Time Information System (OASIS).

If resources are not available from a Western-UGP resource, Western-UGP, at the request of SPP as the Transmission Provider, will offer to purchase the Supplemental Reserves and pass through the costs, plus an amount for administration, to SPP for the SPP Transmission Customer.

In the event Supplemental Reserves are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days before use for determining the prevailing market energy rate and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index. The SPP Transmission Customer would be responsible for providing transmission service to get the Supplemental Reserves to its destination.

## Rate Schedule WAUW-AS7

October 1, 2015

**UNITED STATES DEPARTMENT OF ENERGY****WESTERN AREA POWER ADMINISTRATION****UPPER GREAT PLAINS REGION PICK-SLOAN MISSOURI BASIN PROGRAM—EASTERN DIVISION****GENERATOR IMBALANCE SERVICE—WAUW***Effective*

On the first day of the first full billing period beginning on or after October 1, 2015, upon transfer of functional control of eligible Western-UGP facilities to SPP, and shall remain in effect through September 30, 2020, or until superseded by another rate schedule, whichever occurs earlier. Notification of the transfer of functional control and the effective date of the formula rates will be published in the **Federal Register**.

*Applicable*

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Generator Imbalance Service is provided when a difference occurs between the output of a generator located within Western Area Power Administration-Upper Great Plains Region's (Western-UGP) WAUW and a delivery schedule from that generator to (1) another Balancing Authority Area or (2) a load within Western-UGP's WAUW over a single hour. Western-UGP, as the Balancing Authority, will offer to provide this service, if it is capable of doing so, from its own resources or from resources available to it, at the request of the Southwest Power Pool, Inc. (SPP) as the Transmission Provider, when transmission service is used to deliver energy from a generator located within the WAUW. Generator Imbalance Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. The SPP Transmission Customer will incur a charge for either hourly generator imbalances under this Schedule, WAUW-AS7, or hourly energy imbalances under Rate Schedule WAUW-AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western-UGP has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an intermittent resource located within the WAUW and a delivery schedule from that generator serving load located outside of the WAUW. Intermittent resources serving load outside Western-UGP's WAUW will be required to be pseudo-tied or dynamically scheduled to another Balancing Authority Area.

An intermittent resource, for the limited purpose of this Rate Schedule, is an electric generator that is not dispatchable and cannot store its fuel source and, therefore, cannot respond to changes in demand or respond to transmission security constraints.

#### Formula Rate

For deviations within  $\pm 1.5$  percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost.

Deviations greater than  $\pm 1.5$  percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost.

Deviations greater than  $\pm 7.5$  percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered

from the generation resource is greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions responding to directives by the Transmission Provider, a Balancing Authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's Open Access Same-Time Information System (OASIS) at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

The pricing and charge for deviations in the deviation bandwidths is as specified above. Data used and the charges resulting from using this formula will be posted on the applicable SPP Web site and/or SPP OASIS.

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BILLING CODE 6450-01-P

## ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OW-2004-0019; FRL-9931-21-OW]

### Request for Scientific Views: Draft Recommended Aquatic Life Ambient Water Quality Chronic Criterion for Selenium—Freshwater 2015

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice of availability.

**SUMMARY:** The Environmental Protection Agency (EPA) is opening the comment period for the Agency's draft recommended aquatic life water quality chronic criterion for selenium in freshwater. EPA released a previous draft entitled "External Peer Review Draft Aquatic Life Ambient Water Quality Criterion for Selenium—Freshwater, 2014" for public comment on May 14, 2014. EPA received

scientific views from the public and stakeholders, and convened a contractor-led expert external peer review. EPA considered the results from the expert peer review and scientific views and comments from the public and stakeholders to develop the current draft document, which is now available for comment. Following closure of this public comment period, EPA will consider scientific views from the public on this draft document as well as any new data or information received. EPA will then publish **Federal Register** notice(s) announcing the availability of the final selenium criterion.

**DATES:** Comments must be received on or before September 25, 2015.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-HQ-OW-2004-0019, by one of the following methods:

- *www.regulations.gov:* Follow the on-line instructions for submitting comments.

- *Email:* [ow-docket@epa.gov](mailto:ow-docket@epa.gov). Attention Docket No. EPA-HQ-OW-2004-0019.

- *Fax:* 202-566-1140.

- *Mail:* EPA Water Docket, Environmental Protection Agency, Mailcode 2822-IT 1200 Pennsylvania Ave. NW., Washington, DC 20640, Attention Docket No. EPA-HQ-OW-2004-0019. Please include a total of two copies (including references).

- *Hand Delivery:* EPA Water Docket, EPA Docket Center, William Jefferson Clinton West Building, Room 3334, 1301 Constitution Avenue NW., Washington, DC 20004, Docket No. EPA-HQ-OW-2004-0019. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

*Instructions:* Direct your comments to Docket ID No. [EPA-HQ-2004-0019]. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at [www.regulations.gov](http://www.regulations.gov), including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through [www.regulations.gov](http://www.regulations.gov) or [ow-docket@epa.gov](mailto:ow-docket@epa.gov). The [www.regulations.gov](http://www.regulations.gov) Web site is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly