



6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Provo River Project—Rate Order No. WAPA-165

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Extension for the Provo River Project Power Rate Formula.

SUMMARY: This action is a proposal to extend the existing Provo River Project firm power rate formula through March 31, 2020. The existing rate formula will expire on March 31, 2015.

DATES: Thirty days after this notice is published, Western Area Power Administration (Western) will take further action on the proposed formula rate extension consistent with 10 CFR 903.

FOR FURTHER INFORMATION CONTACT: Ms. Lynn C. Jeka, CRSP Manager, Colorado River Storage Project Management Center, 150 East Social Hall Avenue, Suite 300, Salt Lake City, UT 84111-1580, telephone (801) 524-6372, e-mail: jeka@wapa.gov, or Mr. Rodney Bailey, Power Marketing Manager, Colorado River Storage Project Management Center, 150 East Social Hall Avenue, Suite 300, Salt Lake City, UT 84111-1580, telephone (801) 524-4007, e-mail: rbailey@wapa.gov.

SUPPLEMENTARY INFORMATION: By Delegation Order No. 00-037.00A, 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). This extension is issued pursuant to the Delegation Order and

Department of Energy (DOE) rate extension procedures at 10 CFR 903.23(a).

Under Delegation Order No. 0204-108 and existing DOE procedures for public participation in rate adjustments at 10 CFR part 903, Western's Provo River Power Rate formula was submitted to FERC for confirmation and approval on February 2, 2010. The Provo River Power Rate formula, Rate Order No. WAPA-149, was approved for 5 years beginning April 1, 2010, and ending March 31, 2015.

The Provo River Project, which includes Deer Creek Dam on the Provo River in Utah, was authorized in 1935. Construction of the dam began in 1938 and was completed in 1951. The Deer Creek Powerplant was authorized on August 20, 1951; construction began in 1956 and was completed in 1958; generation began that same year. Its maximum operating capacity is 5,200 kilowatts.

The Provo River Project's power is sold according to a marketing plan that was published in the Federal Register on November 21, 1994. This marketing plan allows Western to sell the output of the Provo River Project to Utah Municipal Power Agency, Utah Associated Municipal Power Systems, and Heber Light and Power (Customers) in the Provo River drainage area.

Contract Nos. 94-SLC-0253, 94-SLC-0254, and 07-SLC-0601 between the United States and Customers require that each fiscal year (FY) a new annual installment be calculated in advance by Western and submitted to the Customers on or before August 31 of the year preceding the appropriate FY. Each FY, Western prepares a power repayment study, which includes estimates of operation, maintenance, and replacement costs for the Deer Creek Powerplant. The annual installment is adjusted on or before August 31 of the year preceding the FY to which it pertains, and Western identifies this amount in contract revisions. Each annual installment pays the amortized portion of the United States' investment in the Deer Creek hydroelectric facilities with

interest and the associated operation, maintenance, and administrative costs. This repayment schedule is not dependent upon the capacity and associated energy made available for sale each year.

Thirty days after this notice is published, Western will take further action on the proposed formula rate extension for the Provo River Project, pursuant to the Delegation Order and DOE rate extension procedures at 10 CFR 903.23(a).

Dated: September 26, 2014.

Mark A. Gabriel,
Administrator.

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