



6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Parker-Davis Project—Rate Order No. WAPA-184

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of proposed extension of formula rates for Parker-Davis Project Firm Electric and Transmission Service.

SUMMARY: Western Area Power Administration (WAPA) proposes to extend the existing formula rates for Parker-Davis Project (P-DP) firm electric and transmission service through September 30, 2023. The existing Rate Schedules PD-F7, PD-FT7, PD-FCT7, and PD-NFT7 expire September 30, 2018.

DATES: A consultation and comment period starts with the publication of this notice and will end on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. WAPA will accept written comments during the consultation and comment period.

ADDRESSES: Send written comments to: Mr. Ronald E. Moulton, Regional Manager, Desert Southwest Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, or e-mail dswpwrmrk@wapa.gov. WAPA will post information about the proposed formula rate extension and written comments received to its website at: <https://www.wapa.gov/regions/DSW/Rates/Pages/Parker-Davis.aspx>

FOR FURTHER INFORMATION CONTACT: Ms. Tina Ramsey, Rates Manager, Desert Southwest Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457, (602) 605-2565, or e-mail ramsey@wapa.gov.

SUPPLEMENTARY INFORMATION: Rate Schedules PD–F7, PD-FT7, PD-FCT7 and PD-NFT7 for Rate Order No. WAPA-162¹ were approved by the Federal Energy Regulatory Commission (FERC) for a 5-year period beginning on October 1, 2013, through September 30, 2018. In accordance with 10 CFR 903.23(a), WAPA is proposing to extend the existing formula rates under Rate Schedules PD–F7, PD-FT7, PD-FCT7 and PD-NFT7 for the period beginning on October 1, 2018 through September 30, 2023. Extending these rate schedules through September 30, 2023 will provide WAPA and its customers time to evaluate the potential benefits of combining transmission rates on Federal projects located within WAPA’s Desert Southwest Region. Combining rates may lead to more efficient use of the Federal transmission systems, diversify the customers who use those systems, and be financially advantageous. If, after a thorough evaluation, WAPA determines that combining transmission rates will produce material benefits, it would initiate a rate adjustment to combine the rates. The existing rate schedules consist of separate formula rates for firm electric service, firm point-to-point transmission service, firm transmission service of Salt Lake City Area/Integrated Projects power, and non-firm point-to-point transmission service on the P-DP transmission system. The existing formula rates provide sufficient revenue to pay all annual costs, including interest expense, and repay required investment within the allowable period consistent with the cost recovery criteria set forth in DOE Order RA 6120.2.

By Delegation Order No. 00-037.00B, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to WAPA’s

¹ FERC confirmed and approved Rate Order No. WAPA-162 on September 18, 2014, in Docket No. EF14-4-000. See *Order Confirming and Approving Rate Schedules on a Final Basis*, 148 FERC ¶ 61,193.

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.

In accordance with 10 CFR 903.23(a)(2), WAPA determined it is not necessary to hold a public information or public comment forum but is initiating a 30-day consultation and comment period. Written comments must be received by the end of the consultation and comment period to be considered by WAPA in its decision process. WAPA will post comments received to its website at:

<https://www.wapa.gov/regions/DSW/Rates/Pages/Parker-Davis.aspx>. After considering comments, WAPA will take further action on the proposed formula rate extension consistent with 10 CFR 903.23(a).

Dated: July 3, 2018

Mark A. Gabriel
Administrator

[FR Doc. 2018-15000 Filed: 7/12/2018 8:45 am; Publication Date: 7/13/2018]