
DEPARTMENT OF ENERGY

Western Area Power Administration

**Pick-Sloan Missouri Basin Program—
Eastern Division—Rate Order No.
WAPA-217**

AGENCY: Western Area Power
Administration, DOE.

ACTION: Notice of rate order.

SUMMARY: The extension of the Upper Great Plains (UGP) region's existing Pick-Sloan Missouri Basin Program—Eastern Division (P-SMBP—ED) transmission and ancillary services formula rates has been confirmed, approved, and placed into effect on an interim basis. The existing formula rates under Rate Schedules WAUGP-ATRR (Annual Transmission Revenue

Requirement), WAUGP-AS1 (Scheduling, System Control, and Dispatch Service), WAUW-AS3 (Regulation and Frequency Response Service), WAUW-AS4 (Energy Imbalance Service), WAUW-AS5 (Operating Reserve—Spinning Reserve Service), WAUW-AS6 (Operating Reserve—Supplemental Reserve Service), and WAUW-AS7 (Generator Imbalance Service) are set to expire on September 30, 2025. This rate extension makes no changes to the existing formula rates and extends them through September 30, 2030.

DATES: The extended formula rates under Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6 and WAUW-AS7 will be placed into effect on an interim basis on October 1, 2025.

FOR FURTHER INFORMATION CONTACT: Mr. Lloyd Linke, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266; (406) 255-2800; email: lloyd@wapa.gov, or Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, telephone: (406) 255-2920; email: cady@wapa.gov.

SUPPLEMENTARY INFORMATION: Western Area Power Administration (WAPA) published a *Federal Register* notice (Proposed FRN) on August 26, 2024 (89 FR 68432), proposing to extend the existing formula rates under Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6 and WAUW-AS7. The Proposed FRN also initiated a 30-day public consultation and comment period.

Legal Authority

By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the WAPA 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, or to remand or disapprove such rates, to the Federal Energy Regulatory Commission (FERC). By Delegation Order No. S1-DEL-S3-2024, effective August 30, 2024, the Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Infrastructure. By Redelegation Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redelegated the authority to confirm, approve, and place

such rates into effect on an interim basis to WAPA's Administrator. This extension is issued under Redelegation Order No. S3-DEL-WAPA1-2023 and Department of Energy rate extension procedures set forth in 10 CFR part 903.¹

Following review of UGP's proposal, Rate Order No. WAPA-217 is hereby confirmed, approved, and placed into effect on an interim basis. This extends, without adjustment, the existing Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7 through September 30, 2030. WAPA will submit Rate Order No. WAPA-217 and the extended rate schedules to FERC for confirmation and approval on a final basis.

Department of Energy

Administrator, Western Area Power Administration

In the Matter of: Western Area Power Administration, Extension for the Pick-Sloan Missouri Basin Program—Eastern Division Transmission and Ancillary Services Formula Rates, Rate Order No. WAPA-217

Order Confirming, Approving, and Placing the Transmission and Ancillary Services Formula Rates for the Pick-Sloan Missouri Basin Program—Eastern Division Into Effect on an Interim Basis

The formula rates in Rate Order No. WAPA-217 are established following section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152).¹

By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Western Area Power Administration (WAPA) Administrator; (2) the authority to confirm, approve, and place into effect such rates on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve on a final basis, or to remand or disapprove such rates to the Federal Energy Regulatory Commission (FERC). By Delegation Order No. S1-DEL-S3-2024, effective

¹ 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

¹ 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 (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 section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts that specifically apply to the projects involved.

August 30, 2024, the Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary of Infrastructure. By Redelegation Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This extension is issued under the Redelegation Order No. S3-DEL-WAPA1-2023 and DOE rate extension procedures set forth at 10 CFR part 903.²

Background

On October 1, 2020, FERC approved and confirmed Rate Schedules WAUGP-ATRR (Annual Transmission Revenue Requirement), WAUGP-AS1 (Scheduling, System Control, and Dispatch Service), WAUW-AS3 (Regulation and Frequency Response Service), WAUW-AS4 (Energy Imbalance Service), WAUW-AS5 (Operating Reserve-Spinning Reserve Service), WAUW-AS6 (Operating Reserve-Supplemental Reserve Service), and WAUW-AS7 (Generator Imbalance Service) under Rate Order No. WAPA-188 on a final basis for a 5-year period through September 30, 2025.³ These rate schedules apply to Pick-Sloan Missouri Basin Program—Eastern Division (P-SMBP—ED) transmission and ancillary services formula rates. Details about the rate schedules and the formula rates are viewable on UGP's Rates website at: www.wapa.gov/about-wapa/regions/ugp/ugp-rates/. The rates continue the formula-based methodology that includes an annual update to the data in the rate formulas, which provide adequate revenue to recover annual expenses, including interest expense, and repay capital investments within allowable time periods. This ensures repayment within the cost recovery criteria set forth in DOE Order RA 6120.2.

Discussion

In accordance with 10 CFR 903.23(a), UGP filed a notice in the *Federal Register* on August 26, 2024, proposing to extend, without adjustment, Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7 under Rate Order No. WAPA-217.⁴ UGP determined it was

² 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

³ *Order Confirming and Approving Rate Schedules on a Final Basis*, FERC Docket No. EF20-3-000 and EF20-3-001 (2020).

⁴ 89 FR 68432 (2024).

not necessary to hold public information or public comment forums on the proposed formula rate extension, but provided a 30-day consultation and comment period to give the public an opportunity to comment on the proposed extension. The consultation and comment period ended on September 25, 2024, and UGP received no comments on the proposed formula rate extension.

Ratemaking Procedure Requirements

Environmental Compliance

A categorical exclusion determination was previously issued for these rates under the following categorical exclusion listed in appendix B to subpart D of 10 CFR part 1021: B4.3 (Electric power marketing rate changes).⁵ That categorical exclusion determination is also applicable to this rate action. A copy of the categorical exclusion determination is available on WAPA's website at: www.wapa.gov/wp-content/uploads/2024/10/Rate-Extension-RO-WAPA-217-CX-09272024.pdf.

Determination Under Executive Order 12866

WAPA 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 provisional 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 above and under the authority delegated to me, I hereby confirm, approve, and place into effect, on an interim basis, Rate Order No. WAPA-217, which extends the existing UGP transmission and ancillary services formula rates under Rate Schedules WAUGP-ATRR, WAUGP-AS1, WAUW-AS3, WAUW-AS4, WAUW-AS5, WAUW-AS6, and WAUW-AS7 through September 30, 2030. The rates will remain in effect on an interim basis until: (1) FERC confirms and approves of this extension on a final basis; (2) subsequent rates are confirmed and

approved; or (3) such rates are superseded.

Signing Authority

This document of the Department of Energy was signed on December 16, 2024, by Tracey A. LeBeau, Administrator, Western Area Power Administration, pursuant to delegated authority from the Secretary of Energy. That document, with the original signature and date, is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the **Federal Register**.

Signed in Washington, DC, on December 16, 2024.

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

Rate Schedule WAUGP-ATRR, October 1, 2025

(Supersedes Rate Schedule WAUGP-ATRR Dated October 1, 2020, Through September 30, 2025)

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

(Approved Under Rate Order No. WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

Applicable

Western Area Power Administration-Upper Great Plains (Western-UGP) region's formula based Annual Transmission Revenue Requirement (ATRR) for its eligible transmission related facilities included under the Southwest Power Pool, Inc. (SPP) Tariff will 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 (\$)
ATRR = A + B + C - D + E + F

Note: Western-UGP will identify any portion(s) of the ATRR eligible for recovery under SPP Schedule 11 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 website and Western-UGP's Open Access Same-Time Information System (OASIS).

Rate Schedule WAUGP-AS1, October 1, 2025

(Supersedes Rate Schedule WAUGP-AS1 Dated October 1, 2020, Through September 30, 2025)

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

(Approved Under Rate Order No. WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

Applicable

Scheduling, System Control, and Dispatch Service (SSCD) is required to

⁵ The determination was done in compliance with the National Environmental Policy Act (NEPA) of 1969, as amended, 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).

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 (Western-UGP) region's 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 UMZ in 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 (\$)

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 website and Western-UGP's Open Access Same-Time Information System (OASIS).

Rate Schedule WAUW-AS3, October 1, 2025

(Supersedes Rate Schedule WAUW-AS3 Dated October 1, 2020, Through September 30, 2025)

**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

(Approved Under Rate Order No. WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

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 (Western-UGP) region 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 website and Western-UGP's Open Access Same-Time Information System (OASIS).

Rate Schedule WAUW-AS4, October 1, 2025

(Supersedes Rate Schedule WAUW-AS4 Dated October 1, 2020, Through September 30, 2025)

United States Department of Energy
Western Area Power Administration

Upper Great Plains Region Pick-Sloan
Missouri Basin Program—Eastern
Division

Energy Imbalance Service—WAUW

(Approved Under Rate Order No.
WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

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 (Western-UGP) region's WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable). Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western-UGP, as the Balancing Authority, will offer to provide Energy Imbalance Service in the WAUW at the request of SPP, if it is capable of doing so, from its own resources or from resources available to it including possible participation in a Western Interconnection energy imbalance service market. SPP is the Transmission Provider for the eligible Western-UGP facilities transferred to the functional control of SPP in the WAUW. Energy Imbalance Service is needed when transmission service is provided by SPP and used to serve load within the WAUW, or when a difference occurs between the expected and actual delivery of energy to/from the WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable) in the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the

Balancing Authority. 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

(A) In the event that Western-UGP does not participate in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:

For deviations within ± 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 ± 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 ± 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 website and Western-UGP'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 website and Western-UGP's OASIS.

(B) In the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority:

Charges to the SPP Transmission Customer will reflect only the pass-through of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to Western-UGP as the WAUW Balancing Authority for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.

Western-UGP will post notice on the applicable SPP website and Western-UGP's OASIS, and also notify existing SPP Transmission Customers, at least 30 days before Western-UGP participates in a Western Interconnection energy imbalance service market, as the Balancing Authority. Western-UGP will also post information related to the charges assessed by the market operator for Energy Imbalance Service in the WAUW under such Western Interconnection energy imbalance service market.

Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.

Rate Schedule WAUW-AS5, October 1, 2025

(Supersedes Rate Schedule WAUW-AS5 Dated October 1, 2020, Through September 30, 2025)

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

(Approved Under Rate Order No.
WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

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 does not extend into the Western Interconnection, Western Area Power Administration-Upper Great Plains (Western-UGP) region, 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
I = Annual cost associated with Western-UGP's current reserve sharing group membership

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

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 website and Western-UGP's 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 website and Western-UGP'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, 2025

(Supersedes Rate Schedule WAUW-AS6 Dated October 1, 2020, Through September 30, 2025)

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

(Approved Under Rate Order No. WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [Note: This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

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 does not extend into the Western

Interconnection, Western Area Power Administration-Upper Great Plains (Western-UGP) region, 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

I = Annual cost associated with Western-UGP's current reserve sharing group membership

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

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 website and Western-UGP's 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 website and Western-UGP'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, 2025

(Supersedes Rate Schedule WAUW-AS7 Dated October 1, 2020, Through September 30, 2025)

United States Department of Energy Western Area Power Administration

Upper Great Plains Region Pick-Sloan Missouri Basin Program—Eastern Division

Generator Imbalance Service—WAUW

(Approved Under Rate Order No. WAPA-188)

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the **Federal Register**. [*Note:* This rate schedule was extended by Rate Order No. WAPA-217 through September 30, 2030.]

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 (Western-UGP) region's 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 (or different dispatch interval for energy imbalance service market, if applicable). Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western-UGP, as the Balancing Authority, will offer to provide this service at the request of SPP, if it is capable of doing so, from its own resources or from resources available to it including possible participation in a Western Interconnection energy imbalance service market. SPP is the Transmission

Provider for the eligible Western-UGP facilities transferred to the functional control of SPP in the WAUW. Generator Imbalance Service is needed when transmission service is provided by SPP and used to deliver energy from a generator located within the WAUW, or when a difference occurs between the expected and actual delivery of energy to/from the WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable) in the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority. 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

(A) In the event that Western-UGP does not participate in a Western Interconnection energy imbalance

service market in the WAUW as the Balancing Authority, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:

For deviations within ± 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 ± 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 ± 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 will not be subject to the deviation bands identified above and, instead, will 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 website and Western-UGP'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 website and Western-UGP's OASIS.

(B) In the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority:

Charges to the SPP Transmission Customer will reflect only the pass-through of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to Western-UGP as the WAUW Balancing Authority for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Generator Imbalance Service obligation.

Western-UGP will post notice on the applicable SPP website and Western-UGP's OASIS, and also notify existing Transmission Customers, at least 30 days before Western-UGP participates in a Western Interconnection energy imbalance service market, as the Balancing Authority. Western-UGP will also post information related to the charges assessed by the market operator for Generator Imbalance Service in the WAUW under such Western Interconnection energy imbalance service market.

Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.

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