

Proposed Action Title: Pick-Sloan Missouri Basin Program - Eastern Division (P-SMBP--ED): Rate Order No. WAPA-213

Program or Field Office: Upper Great Plains Region (UGP)

Location(s) (City/County/State): Region-wide

Proposed Action Description:

WAPA-UGP proposed revised formula rates for the P-SMBP--ED firm power, firm peaking power service, and sale of surplus products. The existing formula rates for these services, under Rate Schedules P-SED-F14, P-SED-FP14, and sale of surplus products, under formula rate schedule P-SED-M2, expire on December 31, 2027. UGP is proposing to update the formula rates for firm power service under Rate Schedule P-SED-F14, and firm peaking power service under Rate Schedule P-SED-FP14. The formula rate for sale of surplus products is not changing but is being included in Rate Order No. WAPA-213 in order to make these rate schedules effective for the same time frame. WAPA proposes the rate changes in a two step rate adjustment, with the proposed effective date of the first step January 1, 2025, and the proposed effective date of the second step January 1, 2026. The rate increases will extend through December 31, 2029 or until WAPA supersedes or changes the formula rates through another public rate process pursuant to 10 CFR part 903, whichever occurs first. The newly proposed rate schedules would increase the P-SMBP base and drought adder components.

The driver behind the P-SMBP drought adder component decrease is the Army Corp of Engineers Annual Operating Plan projecting improved generation for the next several years in the P-SMBP. With mainstem hydropower generation being better, our purchase power expense related to drought conditions is lower and our revenues from non-firm energy sales are projected to increase. Uncertainties with water inflows, hydro generation, and replacement energy prices continue to pose potential risks meeting our firm power contractual commitments. The complete description of the new order can be found on WAPA's website at: https://www.wapa.gov/regions/UGP/rates/pages/rates.aspx

Categorical Exclusion(s) Applied:

B4.3 - Electric power marketing rate changes

For the complete DOE National Environmental Policy Act regulations regarding categorical exclusions, including the full text of each categorical exclusion, see Subpart D of <u>10 CFR Part 1021</u>.

Regulatory Requirements in 10 CFR 1021.410(b): (See full text in regulation)

The proposal fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D.

To fit within the classes of actions listed in 10 CFR Part 1021, Subpart D, Appendix B, a proposal must be one that would not: (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, or similar requirements of DOE or Executive Orders; (2) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators), but the proposal may include categorically excluded waste storage, disposal, recovery, or treatment actions or facilities; (3) disturb hazardous substances, pollutants, contaminants, or CERCLA-excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases; (4) have the potential to cause significant impacts on environmentally sensitive resources, including, but not limited to, those listed in paragraph B(4) of 10 CFR Part 1021, Subpart D, Appendix B; (5) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements, such as those listed in paragraph B(5) of 10 CFR Part 1021, Subpart 1021, Subpart D, Appendix B.

There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal.

The proposal has not been segmented to meet the definition of a categorical exclusion. This proposal is not connected to other actions with potentially significant impacts (40 CFR 1508.25(a)(1)), is not related to other actions with individually insignificant but cumulatively significant impacts (40 CFR 1508.27(b)(7)), and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

Based on my review of the proposed action, as NEPA Compliance Officer (as authorized under DOE Order 451.1B), I have determined that the proposed action fits within the specified class(es) of action, the other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

NEPA Compliance Officer: JOHN RUSSELL Digitally signed by JOHN RUSSELL Date: 2024.08.30 09:40:34 -06'00'

Date Determined:08/30/2024