

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
ADMINISTRATOR, SOUTHWESTERN POWER ADMINISTRATION**

In the matter of:

Southwestern Power Administration)	Rate Order
Integrated System Rate Schedules)	No. SWPA-85

**ORDER APPROVING EXTENSION OF RATE SCHEDULES
ON A TEMPORARY BASIS
(9/13/2024)**

Pursuant to Sections 301(b) and 302(a) of the Department of Energy Organization Act, 42 U.S.C. 7151(b) and 7152(a), the functions of the Secretary of the Interior and the Federal Power Commission under Section 5 of the Flood Control Act of 1944, 16 U.S.C. 825s, relating to the Southwestern Power Administration (Southwestern), were transferred to and vested in the Secretary of Energy. 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 Southwestern'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, 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-SWPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Southwestern Administrator.

BACKGROUND

On September 30, 2013, in Rate Order No. SWPA-66, the Deputy Secretary of Energy

placed into effect Southwestern's Integrated System rate schedules (P-13, NFTS-13, and EE-13) on an interim basis for the period October 1, 2013 to September 30, 2017. FERC confirmed and approved Southwestern's interim Integrated System rates on a final basis on January 9, 2014 for a period ending September 30, 2017.

Southwestern re-designated Integrated System rate schedule "NFTS-13" as "NFTS-13A" with no revenue adjustment. In Rate Order No. SWPA-71, the Deputy Secretary of Energy placed into effect Southwestern's rate schedule NFTS-13A on an interim basis beginning January 1, 2017. FERC confirmed and approved NFTS-13A on a final basis on March 9, 2017.

On September 13, 2017, in Rate Order No. SWPA-72, the Deputy Secretary of Energy extended all of Southwestern's Integrated System rate schedules (P-13, NFTS-13A, and EE-13) for two years, for the period of October 1, 2017 through September 30, 2019.

Southwestern re-designated Integrated System rate schedule "P-13" as "P-13A" with no revenue adjustment to incorporate a new section regarding requirements for the peaking energy schedule submission time. In Rate Order No. SWPA-73, the Assistant Secretary for Electricity placed into effect Southwestern's rate schedule for P-13A on an interim basis beginning July 1, 2019. FERC confirmed and approved P-13A on a final basis on August 29, 2019.

On September 22, 2019, in Rate Order No. SWPA-74, the Assistant Secretary for Electricity extended all of Southwestern's Integrated System rate schedules (P-13A, NFTS-13A, and EE-13) for two years, for the period of October 1, 2019 through September 30, 2021.

On August 30, 2021, in Rate Order No. SWPA-77, the Administrator, Southwestern, extended all of Southwestern's Integrated System rate schedules (P-13A, NFTS-13A, and EE-13) for two years, for the period of October 1, 2021 through September 30, 2023.

Southwestern re-designated Integrated System rate schedule "P-13A" as "P-13B" with no

revenue adjustment to update the peaking energy schedule submission time requirements. In Rate Order No. SWPA-80, the Administrator, Southwestern, placed into effect Southwestern's rate schedule for P-13B on an interim basis beginning July 15, 2023. The P-13B rate schedule has been submitted to FERC for confirmation and approval on a final basis.

On September 25, 2023, in Rate Order No. SWPA-81, the Administrator, Southwestern, temporarily extended all of Southwestern's Integrated System rate schedules (P-13B, NFTS-13A, and EE-13) for one year, for the period of October 1, 2023 through September 30, 2024.

DISCUSSION

Southwestern's current Integrated System rate schedules (P-13B, NFTS-13A, and EE-13) are based on its 2013 Power Repayment Study (PRS). Southwestern has conducted PRSs annually thereafter through 2023. Each PRS from 2014 through 2022 indicated a need for a revenue adjustment within a plus or minus two percent range of the revenue estimate based on the current rate schedules. It is Southwestern's practice for the Administrator to defer, on a case-by-case basis, revenue adjustments for the Integrated System within plus or minus two percent from the revenue estimate based on the current rate schedules. Thus, the Administrator has deferred revenue adjustments annually through 2022. The 2023 PRS indicated a need for a revenue adjustment above two percent and therefore Southwestern is working towards implementation of a rate adjustment plan including design of a new set of Integrated System rate schedules (P-23, NFTS-23, and EE-23). However, that effort and the associated procedures for public participation in accordance with 10 CFR part 903 will not be completed in time for the new rate schedules to be placed into effect prior to the September 30, 2024, expiration of the current rate schedules, and thus temporary extension of the current rate schedules is necessary. Pursuant to 10 CFR 903.23(b) and Redeligation Order No. S3-DEL-SWPA1-2023,

Southwestern's Administrator may extend existing rates on a temporary basis without advance notice or comment pending further action. In such a circumstance, the Administrator shall publish notice of said extension in the *Federal Register* and promptly advise FERC of the extension. The revenue collection associated with the extension of the current rates will be considered in the development of the new rates based on the 2023 PRS such that repayment obligations are met consistent with the provisions of U.S. Department of Energy (DOE) Order No. RA 6120.2.

AVAILABILITY OF INFORMATION

Information regarding the extension of these rate schedules is available for public review in the offices of Southwestern Power Administration, One West Third Street Suite 1500, Tulsa, Oklahoma 74103. The rate schedules are available on the Southwestern web site at www.energy.gov/swpa/rates-and-repayment.

ORDER

In view of the foregoing and pursuant to the authority delegated to me by the Secretary of Energy, I hereby extend, effective October 1, 2024, the Integrated System Rate Schedule P-13B, Wholesale Rates for Hydro Peaking Power; Rate Schedule NFTS-13A, Wholesale Rates for Non-Federal Transmission/Interconnection Facilities Service; and Rate Schedule EE-13, Wholesale Rates for Excess Energy. The rate schedules shall remain in effect on a temporary basis through September 30, 2025, unless superseded.

Signing Authority

This document of the Department of Energy was signed on 9/13/2024 by Michael S. Wech, Administrator for Southwestern 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 DOE. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Springfield, Missouri, on 9/13/2024 .

Michael S Wech

Digitally signed by Michael S
Wech
Date: 2024.09.13 11:50:08 -05'00'

Michael S. Wech
Administrator
Southwestern Power Administration
U. S. Department of Energy