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

In the matter of:

Southwestern Power Administration)	Rate Order
Robert D. Willis Hydropower Project Rate Schedule)	No. SWPA-86

ORDER APPROVING EXTENSION OF RATE SCHEDULE 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 December 17, 2015, in Rate Order No. SWPA-70, the Deputy Secretary of Energy placed into effect the current Robert D. Willis Hydropower Project (Robert D. Willis) rate schedule (RDW-15) on an interim basis for the period January 1, 2016 to September 30, 2019. FERC confirmed and approved RDW-15 on a final basis on June 15, 2016 for a period ending September 30, 2019. On September 22, 2019, in Rate Order No. SWPA-76, the Assistant Secretary for Electricity extended RDW-15 for two years, for the period of October 1, 2019 through September 30, 2021. On August 30, 2021, in Rate Order No. SWPA-79, the Administrator, Southwestern, extended RDW-15 for two years, for the period of October 1, 2021 through September 30, 2023. On September 25, 2023, in Rate Order No. SWPA-83, the Administrator, Southwestern, temporarily extended RDW-15 for one year, for the period of October 1, 2023 through September 30, 2024.

DISCUSSION

Southwestern's current rate schedule for the Robert D. Willis isolated rate system, RDW-15, is based on the 2015 Power Repayment Study (PRS). Each subsequent annual PRS through 2022 indicated the need for a revenue adjustment within a plus or minus five percent range of the current revenue estimate. It is Southwestern's practice for the Administrator to defer, on a case-by-case basis, revenue adjustments for isolated rate systems that are within plus or minus five percent of the revenue estimated from the current rate schedule. Therefore, the Administrator deferred revenue adjustments annually for Robert D. Willis through 2022. The 2023 PRS indicated a need for a revenue adjustment above five percent and therefore a new rate is needed. However, implementation of a rate adjustment plan including a new rate schedule (RDW-23), and the associated procedures for public participation in accordance with 10 CFR part 903 will

not be completed in time for the new rate schedule to be placed into effect prior to the September 30, 2024, expiration of the current rate schedule and thus temporary extension of the current rate schedule is necessary. Pursuant to 10 CFR 903.23(b) and Redelegation 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 rate will be considered in the development of the new rate 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 the rate schedule is available for public review in the offices of Southwestern Power Administration, One West Third Street Suite 1500, Tulsa, Oklahoma 74103. The rate schedule is 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, Robert D. Willis <u>Rate Schedule RDW-15</u>, <u>Wholesale Rates for Hydro Power and Energy</u>. The rate schedule 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

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