

interventions, comments, or requests for rehearing, the public is encouraged to contact OPP at (202) 502-6595 or *OPP@ferc.gov*.

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Dated: June 30, 2023.

Kimberly D. Bose,

Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. AD21-15-000]

Joint Federal-State Task Force on Electric Transmission; Notice of Meeting and Agenda

As first announced in the Commission's April 19, 2023 Notice in the above-captioned docket,¹ the next public meeting of the Joint Federal-State Task Force on Electric Transmission (Task Force) will be held on July 16, 2023, at the JW Marriott in Austin, Texas, from approximately 2:30 p.m. to 5:00 p.m. Central time. Commissioners may attend and participate in this meeting. Attached to this Notice is an agenda for the meeting.

While this Task Force meeting is not for the purpose of discussing any specific matters before the Commission, some discussions at the meeting may involve issues raised in proceedings that are currently pending before the Commission. These proceedings include, but are not limited to:

Interregional HVDC Merchant Transmission—Docket No. AD22-13-000

Invenergy Transmission LLC v. Midcontinent Independent System Operator, Inc.—Docket No. EL22-83-000

The meeting will be open to the public for listening and observing and on the record. There is no fee for attendance and registration is not required. This conference will be transcribed. Transcripts will be available for a fee from Ace Reporting, 202-347-3700.

¹ *Joint Fed.-State Task Force on Elec. Transmission*, Notice, Docket No. AD21-15-000 (issued Apr. 19, 2023).

Commission conferences are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations, please send an email to *accessibility@ferc.gov* or call toll free 1-866-208-3372 (voice) or 202-208-8659 (TTY), or send a fax to 202-208-2106 with the required accommodations.

More information about the Task Force, including frequently asked questions, is available here: <https://www.ferc.gov/TFSOET>. For more information about this meeting, please contact: Anne Marie Hirschberger, 202-502-8387, *annemarie.hirschberger@ferc.gov*; or Jennifer Murphy, 202-898-1350, *jmurphy@naruc.org*. For information related to logistics, please contact Benjamin Williams, 202-502-8506, *benjamin.williams@ferc.gov*; or Rob Thormeyer, 202-502-8694, *robert.thormeyer@ferc.gov*.

For more information about this Notice, please contact: Anne Marie Hirschberger, Office of the General Counsel, (202) 502-8387, *annemarie.hirschberger@ferc.gov*.

Dated: June 30, 2023.

Kimberly D. Bose,

Secretary.

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DEPARTMENT OF ENERGY

Southwestern Power Administration

Integrated System Power Rates—Rate Order No. SWPA-80

AGENCY: Southwestern Power Administration, DOE.

ACTION: Notice of rate order.

SUMMARY: The Administrator, Southwestern Power Administration (Southwestern), has approved and placed into effect on an interim basis Rate Order No. SWPA-80 (Rate Order), which provides the following Integrated System Wholesale Rates for Hydro Peaking Power (P-13B) Rate Schedule: *Rate Schedule P-13B, Wholesale Rates for Hydro Peaking Power* (Rate Schedule P-13B).

DATES: Approval of Rate Schedule P-13B on an interim basis is effective July 15, 2023.

FOR FURTHER INFORMATION CONTACT: Ms. Fritha Ohlson, Senior Vice President, Chief Operating Officer, Office of Corporate Operations, (918) 595-6684 or *fritha.ohlson@swpa.gov*.

SUPPLEMENTARY INFORMATION: Rate Order No. SWPA-80 is approved and placed into effect on an interim basis for the

period July 15, 2023, through September 30, 2023, for the following rate schedule:

Rate Schedule P-13B, Wholesale Rates for Hydro Peaking Power, which supersedes the existing Rate Schedule P-13A, *Wholesale Rates for Hydro Peaking Power*.

Southwestern's Administrator determined that a change to the Peaking Energy Schedule Submission Time was needed to provide Southwestern with more flexibility and greater certainty when making replacement power purchases, and better align Southwestern with regional organized energy market considerations. Rate Schedule P-13B replaces the existing Rate Schedule P-13A and will expire on September 30, 2023. Rate Schedule P-13B updates the Peaking Energy Schedule Submission time from 2:30 p.m. Central Prevailing Time (CPT) to 8:30 a.m. CPT and allows the Southwestern's Administrator to change the Peaking Energy Schedule Submission Time no more than once per year to a time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m. CPT. Additionally, in response to comments received, Rate Schedule P-13B includes a new Section 4.2.3 that, for a transition period of approximately two months, provides for customers to reduce their Peaking Energy schedules submitted for the next day after the 8:30 a.m. Peaking Energy Schedule Submission Time, provided that such adjustments: (1) do not increase the amount of Peaking Energy scheduled for any one hour; (2) are limited to a 25 percent reduction in Peaking Energy scheduled for any one hour; and (3) are coordinated with Southwestern's Scheduling and Operations staff no later than 2:00 p.m. on the day prior to schedule implementation. Additional responses to comments received on the proposed Rate Schedule P-13B published in the **Federal Register** on April 5, 2023 (Proposed Rate Schedule P-13B), are contained in the Rate Order.

United States of America

Department of Energy

Administrator, Southwestern Power Administration

In the matter of: Southwestern Power Administration, Integrated System Hydro Peaking Power Rate Schedule, Rate Order No. SWPA-80

Order Confirming, Approving and Placing Revised Power Rate Schedule in Effect on an Interim Basis (June 30, 2023)

Pursuant to Sections 301(b) and 302(a) of the Department of Energy

Organization Act, Public Law 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-S3-2023, effective April 10, 2023, 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.

Pursuant to that delegated authority, the Southwestern Administrator has issued this interim rate order.

Background

Originally established by Order 1865, Secretary of the Interior, dated August 31, 1943 and effective September 1, 1943 (8 FR 12142 (Sept. 3, 1943)), Southwestern is authorized by Congress to market the hydroelectric power and energy from Federal dams controlled by the U.S. Army Corps of Engineers (Corps), pursuant to Section 302(a)(1) of the Department of Energy Organization Act (42 U.S.C. 7152(a)(1)), Section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), and Public Law 95-456 (16 U.S.C. 825s-3). Guidelines for preparation of power repayment studies are included in Department of Energy (DOE) Order No. RA 6120.2 (Sept. 20, 1979), entitled *Power Marketing Administration Financial Reporting*. Procedures for public participation in power and transmission rate adjustments of the Power Marketing Administrations are found at title 10, part 903, subpart A of the Code of Federal Regulations (10 CFR part 903). Procedures for the confirmation and approval of rates for the Federal Power Marketing Administrations are found at title 18,

part 300, subpart L of the Code of Federal Regulations (18 CFR part 300).

Southwestern markets power from 24 multi-purpose reservoir projects with hydroelectric power facilities constructed and operated by the Corps. These projects are located in Arkansas, Missouri, Oklahoma, and Texas. Southwestern's marketing area includes these states plus Kansas and Louisiana. The costs associated with 22 of these 24 hydropower projects are repaid with revenues received under the Integrated System rates. These rates also cover the costs of Southwestern's transmission facilities that consist of 1,381 miles of high-voltage transmission lines, 27 substations, and 46 microwave and VHF radio sites. Additionally, Southwestern markets power from two hydropower projects in southeastern Texas, Sam Rayburn Dam and Robert D. Willis. These projects are isolated hydraulically, electrically, and financially from the Integrated System, and are repaid via separate rate schedules and therefore are not addressed in this Order.

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. The Federal Energy Regulatory Commission (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, NTFs-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. In Rate Order No. SWPA-73, the Assistant Secretary for Electricity placed into effect Southwestern's rate schedule P-13A on an interim basis beginning July 15, 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, NTFs-13A, 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, NTFs-13A, EE-13) for two years, for the period of October 1, 2021 through September 30, 2023.

Southwestern must at times make replacement capacity and energy purchases to fulfill its contractual obligations associated with the delivery of Hydro Peaking Power as required through the majority of Power Sales Contracts that utilize Southwestern's Integrated System rate schedules. Historically, a significant portion of needed replacement power purchases were made through pre-arranged Purchase Power Agreements (PPAs), many of which were capacity and energy "call options" that allowed Southwestern to schedule the energy as needed after the historic Peaking Energy Schedule Submission Time of 2:00 p.m. Central Prevailing Time (CPT). In 2019, Southwestern implemented a rate schedule change to move the Peaking Energy Schedule Submission Time to 2:30 p.m. CPT. To facilitate the 30-minute shift in the Peaking Energy Schedule Submission Time, Southwestern negotiated with its bilateral trading partners at the time to shift the call option strike time later by 30 minutes as well. Over the last several years, even prior to 2019, the role of FERC-approved reliability transmission organizations (RTOs) in Southwestern's marketing region has increased to the point where the majority of Southwestern's traditional bi-lateral trading partners are members of or participants in RTO energy markets. The regional organized day-ahead energy markets close by 9:30 a.m. CPT, which means that Southwestern's call option trading partners lose the opportunity to bid their resources into the day-ahead markets if they allow Southwestern to wait until the afternoon to determine whether to call on the capacity and energy. Additionally, the planning reserve margins for the RTOs surrounding Southwestern have either been increased or are in the process of being increased which has led to entities keeping their resources within their own portfolios to ensure their own resource adequacy. These two complications have led to increased pricing and decreased flexibility in the bilateral PPA offers available to

Southwestern as well as a decrease in the availability of offers for firm, deliverable capacity and energy in recent months. As a strategy for addressing this issue, Southwestern has recently become a Market Participant of the Midcontinent Independent System Operator (MISO), which enables Southwestern to purchase physical and financial energy from the MISO Day-Ahead and Real-Time energy markets. Southwestern is also exploring becoming a Market Participant in the Southwest Power Pool (SPP). Both the MISO and SPP day-ahead energy markets close bidding at 9:30 a.m. CPT every day. In order to best utilize regional organized day-ahead energy markets as a cost-competitive and risk-management option for replacement energy purchases, Southwestern must have increased certainty about its Peaking Energy obligations before 9:30 a.m. the day before the Peaking Energy will be delivered. Further, Southwestern expects that earlier day-ahead certainty of Peaking Energy schedules will provide Southwestern with additional options when seeking new PPAs, as Southwestern could accept a strike time prior to the closing times of regional organized day-ahead energy markets and mitigate the lost opportunity concerns of trading partners. Ultimately, Southwestern's effective participation in regional organized day-ahead energy markets as well as the ability to attract more cost-competitive PPAs will best ensure Southwestern can procure sufficient energy to meet its contractual obligations at the lowest costs while limiting the purchase of unneeded energy. Reduced risk and greater surety in the delivery of Federal Power and Energy, as well as any cost savings realized by Southwestern, will be to the benefit of all Integrated System customers for which Southwestern has the contractual obligation to provide replacement power.

Therefore, Southwestern's Administrator determined that Section 4.2, Peaking Energy Schedule Submission Time, should be modified to establish the Peaking Energy Schedule Submission Time as on or before 8:30 a.m. Central Prevailing Time (CPT) of the day preceding the day for delivery of Peaking Energy. Additionally, Section 4.2.2, Procedure for Adjusting the Peaking Energy Schedule Submission Time, which allows the Southwestern Administrator to adjust the Peaking Energy Schedule Submission Time no more than once annually should be updated to allow for a submission time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m.

CPT. These updates are expected to provide Southwestern with more flexibility and greater certainty when making replacement power purchases, and better align Southwestern with regional organized energy market considerations. After considering comments received, Southwestern's Administrator determined that a new Section 4.2.3 should be added to provide for an approximate two-month transition period during which customers will be allowed to reduce their Peaking Energy schedules submitted for the next day after the 8:30 a.m. Peaking Energy Schedule Submission Time, provided that such adjustments: (1) do not increase the amount of Peaking Energy scheduled for any one hour; (2) are limited to a 25 percent reduction in Peaking Energy scheduled for any one hour; and (3) are coordinated with Southwestern's Scheduling and Operations staff no later than 2:00 p.m. on the day prior to schedule implementation. The changes to Rate Schedule P-13A, which will be delineated as Rate Schedule P-13B, is a change to a rate schedule in accordance with 18 CFR part 300.

Public Notice and Comment

Notice of a proposed rate schedule change was published in the **Federal Register** April 5, 2023 (88 FR 20163). The notice advised parties of the Proposed Rate Schedule P-13B and an associated public consultation and comment period to provide for an open and transparent process. Comments were accepted through May 5, 2023. Southwestern received five responses containing comments on the Proposed Rate Schedule P-13B. In finalizing the Rate Schedule P-13B, Southwestern reviewed and considered all comments received during the public consultation and comment period. The following is a summary of comments received and Southwestern's response to those comments.

Comment 1: Three commenters acknowledged the regional capacity challenges that Southwestern and other entities are facing: Arkansas Electric Cooperative Corporation (AECC) "understands the capacity situation that exists"; City Water and Light Plant of the City of Jonesboro, Arkansas (Jonesboro) "empathizes with the lack of capacity that [Southwestern] and other utilities in our region are facing"; and the Southwestern Power Resources Association (SPRA), which represents the interests of consumer-owned electric systems that are customers of Southwestern, "recognize[s] the difficult position that [Southwestern] and all

utilities in our region are facing with the lack of capacity."

Response 1: As stated above, regional capacity challenges are a driving factor for Southwestern's decision. Rate Schedule P-13B allows Southwestern to better align itself with the closing times of regional organized day-ahead energy markets, and therefore be better positioned to utilize those markets and/or enter into PPAs that provide consideration of those markets to ensure Southwestern is able to meet its mission of marketing Federal hydropower at the lowest possible costs.

Comment 2: Four commenters noted that their Federal hydropower allocation is a valuable portion of their energy portfolios: AECC "appreciate[s] the great value that [Southwestern] has provided in the past few years"; Associated Electric Cooperative, Inc. (AECI) "views its longstanding partnership with [Southwestern] as integral to AECI's mission to provide the lowest cost and reliable wholesale power to its membership"; Jonesboro's "Federal Hydropower Allocation is a critical resource in [its] wholesale power portfolio"; and SPRA stated that "Federal hydropower is a valued piece of the portfolio for the members of SPRA."

Response 2: Southwestern works hard to maintain and improve the value of Federal hydropower in its region while providing wholesale power to its preference customers at the lowest possible costs.

Comment 3: Three commenters expressed appreciation for their partnerships with Southwestern: AECC "appreciates [Southwestern] working with customers"; Jonesboro and Southwestern "have a long history or partnering to support the overall benefit of all [Southwestern's] customers" and "are very thankful for this partnership"; and SPRA has "long enjoyed working with [Southwestern] to address concerns that could threaten the value or reliability of federal hydropower."

Response 3: Southwestern also appreciates and works hard to foster the collaborative relationship it has with its customers.

Comment 4: ARKMO, a group consisting of five municipally-owned utilities, located in Northeast Arkansas and Southeast Missouri, all of which are Southwestern customers, stated that "as small municipal utilities the ARKMO group members are impacted significantly through their [Southwestern] rates. Because of this, the ARKMO group is in support of moving the peaking schedule submission time to 8:30 a.m."

Response 4: Southwestern appreciates ARKMO's acknowledgement of the beneficial aspects of this rate schedule change on its Integrated System customers for which Southwestern has the contractual obligation to provide replacement power. As noted, the purpose of this change is to facilitate Southwestern's effective participation in regional organized day-ahead energy markets and increase Southwestern's ability to attract more cost-competitive PPAs.

Comment 5: ARKMO stated that the proposed change will allow Southwestern "to better manage their resources. The ARKMO group is in support of [Southwestern] making strategic decisions to help maintain lower rates for their customers."

Response 5: As noted above, this change allows Southwestern to better align itself with the closing times of regional organized day-ahead energy markets. Southwestern's effective participation in regional organized day-ahead energy markets as well as the ability to attract more cost-competitive PPAs will best ensure Southwestern can procure sufficient energy to meet its contractual obligations at the lowest costs while limiting the purchase of unneeded energy. Reduced risk and greater surety in the delivery of Federal Power and Energy, as well as any cost savings realized by Southwestern, will be to the benefit of all Integrated System customers for which Southwestern has the contractual obligation to provide replacement power, and will ensure Southwestern meets its mission of marketing Federal hydropower at the lowest possible costs.

Comment 6: Three commenters indicated a desire for Southwestern to revisit the need for the Peaking Energy Schedule Submission Time change in the future to look for a more mutually agreeable solution to Southwestern's capacity and energy concerns: AECC hopes the conditions which have caused the capacity situation that exists "change soon to allow for a return to the scheduling timeline that exists today"; Jonesboro "respectfully encourage[s] [Southwestern] to continue its partnership with the customers and evaluate solutions that (1) provide for the lowest cost power purchase adder and (2) provide for the overall maximum benefit for [Southwestern] customers"; and SPRA is "looking forward to a robust conversation during SPRA's upcoming September meeting to analyze the data that was gathered during this time, and continuing to work with [Southwestern] to produce solutions which ensure the most value for all federal hydropower customers."

Response 6: Southwestern will evaluate the impact of the Peaking Energy Schedule Submission Time after implementation and will continue to informally and periodically discuss the change as well as other possible solutions with its customers. The ability to optimize energy purchases via regional organized day-ahead energy markets will help alleviate its capacity and energy shortage issues. Southwestern will continue to monitor its progress and engage its customers to ensure the most effective use of the Federal hydropower system consistent with sound business principles.

Comment 7: Two commenters, Jonesboro and SPRA, stated that Southwestern should use a "temporary solution that allows for the total reduction of a peaking schedule made to [Southwestern] by 8:30 a.m. by no more than 25 percent of the total of each individual hour submitted. Any proposed reductions must be coordinated with [Southwestern] Operations and Merchant Staff and completed by no later than 2:00 p.m. the day prior to energy flow."

Response 7: As a result of informal discussion with customers and in response to comments received, to mitigate some of the immediate impact of this change Southwestern has included a new Section 4.2.3 in Rate Schedule P-13B that, for a transition period of approximately two months, allows customers to reduce their Peaking Energy schedules submitted for the next day after the 8:30 a.m. Peaking Energy Schedule Submission Time, provided that such adjustments: (1) do not increase the amount of Peaking Energy scheduled for any one hour; (2) are limited to a 25 percent reduction in Peaking Energy scheduled for any one hour; and (3) are coordinated with Southwestern's Scheduling and Operations staff no later than 2:00 p.m. on the day prior to schedule implementation.

Comment 8: Two commenters noted that the Proposed Rate Schedule P-13B will limit customers' ability to optimize their Federal hydropower resource in day-ahead markets: AECC "estimates a loss in energy value of 15-20 percent" and "a trim on the capacity of 82%" which "would have been a loss in value for 2022 of 23%", and AEI stated that "limiting [Southwestern] customers' flexibility to choose when to call on peaking power in this way will drive unnecessary cost increases to AEI's end-use members."

Response 8: Southwestern has determined that purchased power from regional organized energy markets is one of the more cost-effective and viable

replacement power options available. Having more certainty about Southwestern's obligations to customers prior to the closing times of regional organized day-ahead energy markets will ensure that when a resource shortage occurs, Southwestern can procure sufficient energy to meet its obligations at the lowest costs while limiting the purchase of unneeded energy. Any cost savings realized by Southwestern will be to the benefit of all Integrated System customers for which Southwestern has the contractual obligation to provide replacement power.

Comment 9: AECC stated it "would appreciate [Southwestern's] further consideration of allowing for increased flexibility, such as allowing a customer to agree to trim capacity, keeping energy the same, in return for allowing for the customer to have the ability to offer the energy into the market."

Response 9: Although this proposal would lower Southwestern's capacity obligation, there would still be concerns regarding Southwestern's next-day energy obligation and Southwestern's limited ability to optimize regional organized day-ahead energy market purchases. Southwestern has determined that a Peaking Energy Schedule Submission Time that is prior to the closing times of regional organized day-ahead energy markets is in the best interest of Southwestern customers overall. Southwestern intends to move forward with Rate Schedule P-13B, which allows the Administrator to change the Peaking Energy Schedule Submission Time no more than once per year to a time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m. CPT. Additionally, Rate Schedule P-13B includes a new Section 4.2.3 that, for a transition period of approximately two months, allows customers limited ability to reduce their Peaking Energy schedules submitted for the next day after the 8:30 a.m. Peaking Energy Schedule Submission Time.

Comment 10: AECC provided a "proposed revision to [Southwestern] Rate Schedule P-13A" which updates Section 4.2.2 to state the "Peaking Energy Schedule Submission Time of 2:00 p.m. CPT, as noted in Section 4.2 of this Rate Schedule, may be adjusted by the Administrator, Southwestern, to a time no earlier than 8:30 a.m. CPT and no later than 2:00 p.m. CPT."

Response 10: Southwestern has determined that a Peaking Energy Schedule Submission Time that is prior to the closing times of regional organized day-ahead energy markets is in the best interest of Southwestern and its Integrated System customers for

which Southwestern has the contractual obligation to provide replacement power. Southwestern intends to move forward with Rate Schedule P-13B, which allows the Administrator to change the Peaking Energy Schedule Submission Time no more than once per year to a time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m. CPT. Additionally, in response to comments received, Southwestern included a new Section 4.2.3 in Rate Schedule P-13B that, for a transition period of approximately two months, allows customers limited ability reduce their Peaking Energy schedules submitted for the next day after the 8:30 a.m. Peaking Energy Schedule Submission Time.

Comment 11: AECI stated that the “unilateral change to [Southwestern’s] Peaking Power Rate Schedule does not constitute a minor rate adjustment as it fails to adequately consider the significant negative economic impact that removal of the 2:30 p.m. peaking energy submission time will have on integrated system customers.”

Response 11: “Minor rate adjustment” is a defined term under 10 CFR part 903.2. Under 10 CFR part 903.2, determinations as to whether a rate adjustment qualifies as “minor” are based upon the revenue change to Southwestern’s Integrated System as a whole and not the subjective impacts on an individual customer or set of customers. This comment afforded Southwestern an opportunity to reexamine its initial classification of the proposed change as a “minor rate adjustment.” The terms “rate,” “rate adjustment,” and “minor rate adjustment” are all defined in 10 CFR 903.2. A pre-requisite to any change being qualified as a “minor rate adjustment” is that it involves a “rate” and that it constitutes a “rate adjustment.” Upon further review, Southwestern has determined that this action does not meet the definition of a “rate adjustment,” and thus should not be classified as a “minor rate adjustment.” Under 10 CFR 903.2 a “rate adjustment” is defined as “a change in an existing rate or rates, or the establishment of a rate or rates for a new service.” The definition goes on to expressly state a rate adjustment “. . . does not include a change in rate schedule provisions or in contract terms . . .” Instead, the action should be classified simply as a change in the terms or provisions of the “Rate Schedule” that does not change the existing “rates” (the monetary charges or formula for computing such charges) to Southwestern’s customers as provided for in Rate Schedule P-13A.

Comment 12: AECI stated Southwestern’s “assertion that switching to an earlier peaking power submission deadline will increase its ability to provide shortfall capacity presupposes that power will be available during those needed hours. Thus, [Southwestern’s] plan would on-balance create at least as much uncertainty as it attempts to resolve and would expose [Southwestern] customers to greater price risk in the organized markets.”

Response 12: Southwestern has been and is exposed to price risk through past and present PPAs that have a variable energy price based on a gas index or energy market nodal pricing. Additionally, such PPAs come with a capacity premium. The ability to optimize Southwestern’s participation in regional organized day-ahead energy markets through an earlier Peaking Energy Schedule Submission Time while maintaining optionality with PPAs, as needed, will allow Southwestern to better manage risk than if Southwestern were to rely solely on the recent PPA offers it has received.

Comment 13: AECI stated Southwestern “provides no data showing there are significant and recurring capacity shortfalls.”

Response 13: Southwestern has experienced recurring capacity shortfalls the last several years due to both scheduled and unscheduled maintenance outages. Long-term unit outages (defined as an outage anticipated to last longer than three months) are reported weekly to customers, including AECI, via a Monday Morning Report, and short-term outages were reported on that same report until October 2021. Additionally, Southwestern has provided outage information via regular reports to its customer organization, the Southwestern Power Resources Association (SPRA). Southwestern will make information supporting the assertion that it has experienced significant and recurring capacity shortfalls available on request.

Comment 14: AECI stated that “no supporting data and hence no substantial evidence underlies either assertion” that “the number of PPAs available to Southwestern has decreased and the pricing of available PPAs has increased”.

Response 14: In August 2022, Southwestern issued a request for proposals (RFP) for firm schedulable/dispatchable capacity and associated energy. No proposals were received. Southwestern issued an RFP for firm energy deliverable to Southwestern’s transmission system in January and February 2023. Three proposals were

received but only one of them met Southwestern’s requested requirements but with energy pricing significantly higher than historical rates. In April 2023, Southwestern received additional proposals, none of which were for firm deliverable capacity. All proposals contained elements that were significantly higher in cost than historical responses. Even if more PPAs were available to Southwestern, participation in regional organized energy markets offers an additional tool for Southwestern to manage risk.

Comment 15: AECI stated that Southwestern’s “scheduling rationale appears to ironically rely on creating ‘better options when seeking new PPAs’ when the absence of previous PPAs is driving the change.”

Response 15: The current need for Rate Schedule P-13B is to allow Southwestern to better optimize its participation in regional organized day-ahead energy markets while competitively priced, firm, deliverable capacity and energy options are limited. Southwestern plans to utilize both regional organized energy markets as well as PPAs, when competitive, to manage risk and meet its contractual obligations.

Comment 16: AECI stated that “amending the day-ahead peaking scheduling requirement on all days of the year for the entire capacity of the integrated system, to guard against a relatively rare convergence of high customer needs, insufficient hydropower resources, and insufficient market liquidity is unnecessary and inconsistent with [Southwestern’s] mission under Section 5 of the Flood Control Act of 1944 to encourage the most widespread use at the lowest possible rates of Federal hydropower consistent with sound business principles.”

Response 16: As Southwestern moves towards increased participation in regional organized energy markets, it is anticipated that Southwestern will benefit from the earlier Peaking Energy Schedule Submission Time through having increased knowledge regarding Peaking Energy obligations prior to market close on a regular basis. This will help Southwestern prevent against either making purchases in excess of its energy needs, thereby unnecessarily increasing costs, or making purchases less than its energy needs, at which point the energy market liquidity is significantly reduced when procuring the remainder of needed energy. Furthermore, no matter the rarity of the situation at hand, Southwestern contends the certainty of energy delivery in accordance with our

contractual obligations is paramount to its mission in accordance with Section 5 of the Flood Control Act of 1944.

Comment 17: AECE provided a “proposed revision to [Southwestern] Rate Schedule P–13A” Section 4.2.2 which would: (1) require that “Concurrent with the Peaking Energy Schedule Submission Time, customers designated by Administrator, Southwestern, are required to submit to Southwestern a preliminary Peaking Energy Schedule for the second following day” in addition to the day-ahead peaking energy schedule by the then in-effect Peaking Energy Schedule Submission Time; (2) allow for the “Peaking Energy Schedule Submission Time of 2:00 p.m. CPT” to be “adjusted by the Administrator, Southwestern, to a time no earlier than 8:30 a.m. CPT and no later than 2:00 p.m. CPT”; (3) require that the Administrator “make a determination daily on the need to adjust the Peaking Energy Schedule Submission Time, limited to the extent conditions required, based on preliminary Peaking Energy Schedules, regional energy market conditions, and/or operational considerations” and (4) require that the Administrator “notify customers of the determination to adjust the Peaking Energy Schedule Submission Time via electronic communication no later than 7:30 a.m. of the day the Peaking Energy Schedule Submissions are due.”

Response 17: The suggested changes have been considered and Southwestern has chosen not to implement any of the changes for the following reasons: (1) the preliminary two-day-ahead schedule is allowed to change without any restrictions prior to being submitted as a final day-ahead schedule and therefore cannot be reliably used by Southwestern in making operational decisions; (2) the analysis of a preliminary schedule and daily determination of the Peaking Energy Schedule Submission Time creates a significant additional workload and administrative burden for Southwestern’s staff with no corresponding benefit for customers overall; (3) submission of a two-day-ahead preliminary schedule is likely to create a burden for a majority of Southwestern’s customers, which currently submit Peaking Energy schedules prior to 8:30 a.m. CPT rather than waiting until closer to the 2:30 p.m. CPT Peaking Energy Schedule Submission Time as permitted by the current Rate Schedule P–13A (although the comment allows for Southwestern’s Administrator to select specific customers which are required to submit a two-day-ahead schedule, Southwestern applies rate schedule

provisions equally to all customers); (4) frequent changes to the Peaking Energy Schedule Submission Time could easily cause confusion among Southwestern’s customers; (5) Southwestern desires to develop rate schedules which are as consistent as possible for its customers, and frequent changes to the Peaking Energy Schedule Submission Time would increase volatility of daily operations; and (6) as noted previously, Southwestern has determined that a Peaking Energy Schedule Submission Time that is coordinated with the closing times of regional organized day-ahead energy markets is in the best interest of Southwestern and its Integrated System customers for which Southwestern has the contractual obligation to provide replacement power. Southwestern intends to move forward with Rate Schedule P–13B, which allows the Administrator to change the Peaking Energy Schedule Submission Time no more than once per year to a time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m. CPT.

Availability of Information

Information regarding Rate Schedule P–13B, including public comments received, is available for public review in the offices of Southwestern Power Administration, One West Third Street, Suite 1500, Tulsa, Oklahoma 74103. Southwestern in-effect rate schedules are available on the Southwestern website at www.energy.gov/swpa.

Administration’s Certification

Rate Schedule P–13B will repay all costs of the Integrated System including amortization of the power investment consistent with the provisions of Department of Energy Order No. RA 6120.2. In accordance with Delegation Order No. 00–037.00B, effective November 19, 2016, and Section 5 of the Flood Control Act of 1944, the Administrator has determined that Rate Schedule P–13B is consistent with applicable law and the lowest possible rates consistent with sound business principles.

Environment

Southwestern previously determined that the rate change actions, placed into effect on October 1, 2013, fit within the following class of categorically excluded actions as listed in Appendix B to Subpart D of 10 CFR part 1021, DOE’s Implementing Procedures and Guidelines of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321–4347): B4.4 (Electric power marketing rate changes). Categorically excluded actions do not require preparation of either an

environmental impact statement or an environmental assessment. On June 13, 2023, Southwestern determined that categorical exclusion B4.4 applies to the current action as well.

Order

In view of the foregoing, and pursuant to delegated authority from the Secretary of Energy, I hereby confirm, approve, and place into effect on an interim basis, effective July 15, 2023, the Southwestern Integrated System Rate Schedule P–13B which shall remain in effect on an interim basis through September 30, 2023, or the FERC confirms and approves the rates on a final basis.

Signing Authority

This document of the Department of Energy was signed on June 30, 2023, by Mike 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 Washington, DC, on July 3, 2023.

Treena V. Garrett,

Federal Register Liaison Officer, U.S. Department of Energy.

United States Department of Energy

Southwestern Power Administration

Rate Schedule P–13B^{1 **}

Wholesale Rates for Hydro Peaking Power

Effective

During the period October 1, 2013, through September 30, 2023,** in accordance with Federal Energy Regulatory Commission (FERC) order issued in Docket No. EF14–1–000 (Jan. 9, 2014), extension approved by the Deputy Secretary in Docket No. EF14–1–002 (Sept. 13, 2017), modification approved by FERC in Docket No. EF14–1–003 (Aug. 29, 2019), extension approved by Assistant Secretary for Electricity in Rate Order No. 74 (Sept. 22, 2019), and extension approved by the Administrator in Rate Order No. 77 (August 30, 2021).

¹ Supersedes Rate Schedule P–13A.

** Extended through September 30, 2023 by approval of Rate Order No. SWPA–77 by the Administrator, Southwestern Power Administration.

Available

In the marketing area of Southwestern Power Administration (Southwestern), described generally as the States of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas.

Applicable

To wholesale Customers which have contractual rights from Southwestern to purchase Hydro Peaking Power and associated energy (Peaking Energy and Supplemental Peaking Energy).

Character and Conditions of Service

Three-phase, alternating current, delivered at approximately 60 Hertz, at the nominal voltage(s), at the point(s) of delivery, and in such quantities as are specified by contract.

*1. Definitions of Terms**1.1. Ancillary Services*

The services necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the System of Southwestern in accordance with good utility practice, which include the following:

1.1.1. Scheduling, System Control, and Dispatch Service

Is provided by Southwestern as Balancing Authority Area operator and is in regard to interchange and load-match scheduling and related system control and dispatch functions.

1.1.2. Reactive Supply and Voltage Control From Generation Sources Service

Is provided at transmission facilities in the System of Southwestern to produce or absorb reactive power and to maintain transmission voltages within specific limits.

1.1.3. Regulation and Frequency Response Service

Is the continuous balancing of generation and interchange resources accomplished by raising or lowering the output of on-line generation as necessary to follow the moment-by-moment changes in load and to maintain frequency within a Balancing Authority Area.

1.1.4. Spinning Operating Reserve Service

Maintains generating units on-line, but loaded at less than maximum output, which may be used to service load immediately when disturbance conditions are experienced due to a sudden loss of generation or load.

1.1.5. Supplemental Operating Reserve Service

Provides an additional amount of operating reserve sufficient to reduce Area Control Error to zero within 10 minutes following loss of generating capacity which would result from the most severe single contingency.

1.1.6. Energy Imbalance Service

Corrects for differences over a period of time between schedules and actual hourly deliveries of energy to a load. Energy delivered or received within the authorized bandwidth for this service is accounted for as an inadvertent flow and is returned to the providing party by the receiving party in

accordance with standard utility practice or a contractual arrangement between the parties.

1.2. Customer

The entity which is utilizing and/or purchasing Federal Power and Federal Energy and services from Southwestern pursuant to this Rate Schedule.

1.3. Demand Period

The period of time used to determine maximum integrated rates of delivery for the purpose of power accounting which is the 60-minute period that begins with the change of hour.

1.4. Federal Power and Energy

The power and energy provided from the System of Southwestern.

1.5. Hydro Peaking Power

The Federal Power that Southwestern sells and makes available to the Customers through their respective Power Sales Contracts in accordance with this Rate Schedule.

1.6. Peaking Billing Demand

The quantity equal to the Peaking Contract Demand for any month unless otherwise provided by the Customer's Power Sales Contract.

1.7. Peaking Contract Demand

The maximum rate in kilowatts at which Southwestern is obligated to deliver Federal Energy associated with Hydro Peaking Power as set forth in the Customer's Power Sales Contract.

1.8. Peaking Energy

The Federal Energy associated with Hydro Peaking Power that Southwestern sells and makes available to the Customer in accordance with the terms and conditions of the Customer's Power Sales Contract.

1.9. Peaking Energy Schedule Submission Time

The time by which Southwestern requires the Customer to submit Peaking Energy schedules to Southwestern as provided for in this Rate Schedule and in accordance with the terms and conditions of the Customer's Power Sales Contract.

1.10. Power Sales Contract

The Customer's contract with Southwestern for the sale of Federal Power and Federal Energy.

1.11. Supplemental Peaking Energy

The Federal Energy associated with Hydro Peaking Power that Southwestern sells and makes available to the Customer if determined by Southwestern to be available and that is in addition to the quantity of Peaking Energy purchased by the Customer in accordance with the terms and conditions of the Customer's Power Sales Contract.

1.12. System of Southwestern

The transmission and related facilities owned by Southwestern, and/or the generation, transmission, and related facilities owned by others, the capacity of which, by contract, is available to and utilized by Southwestern to satisfy its contractual obligations to the Customer.

1.13. Uncontrollable Force

Any force which is not within the control of the party affected, including, but not limited to failure of water supply, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, riot, civil disturbance, labor disturbance, sabotage, war, act of war, terrorist acts, or restraint by court of general jurisdiction, which by exercise of due diligence and foresight such party could not reasonably have been expected to avoid.

2. Wholesale Rates, Terms, and Conditions for Hydro Peaking Power, Peaking Energy, Supplemental Peaking Energy, and Associated Services

Unless otherwise specified, this Section 2 is applicable to all sales under the Customer's Power Sales Contract.

*2.1. Hydro Peaking Power Rates, Terms, and Conditions**2.1.1. Monthly Capacity Charge for Hydro Peaking Power*

\$4.50 per kilowatt of Peaking Billing Demand.

2.1.2. Services Associated With Capacity Charge for Hydro Peaking Power

The capacity charge for Hydro Peaking Power includes such transmission services as are necessary to integrate Southwestern's resources in order to reliably deliver Hydro Peaking Power and associated energy to the Customer. This capacity charge also includes two Ancillary Services charges: Scheduling, System Control, and Dispatch Service; and Reactive Supply and Voltage Control from Generation Sources Service.

2.1.3. Secondary Transmission Service Under Capacity Associated With Hydro Peaking Power

Customers may utilize the transmission capacity associated with Peaking Contract Demand for the transmission of non-Federal energy, on a non-firm, as-available basis, at no additional charge for such transmission service or associated Ancillary Services, under the following terms and conditions:

2.1.3.1. The sum of the capacity, for any hour, which is used for Peaking Energy, Supplemental Peaking Energy, and Secondary Transmission Service, may not exceed the Peaking Contract Demand;

2.1.3.2. The non-Federal energy transmitted under such secondary service is delivered to the Customer's point of delivery for Hydro Peaking Power;

2.1.3.3. The Customer commits to provide Real Power Losses associated with such deliveries of non-Federal energy; and

2.1.3.4. Sufficient transfer capability exists between the point of receipt into the System of Southwestern of such non-Federal energy and the Customer's point of delivery for Hydro Peaking Power for the time period that such secondary transmission service is requested.

2.1.4. Adjustment for Reduction in Service

If, during any month, the Peaking Contract Demand associated with a Power Sales Contract in which Southwestern has the obligation to provide 1,200 kilowatthours of Peaking Energy per kilowatt of Peaking Contract Demand is reduced by

Southwestern for a period or periods of not less than two consecutive hours by reason of an outage caused by either an Uncontrollable Force or by the installation, maintenance, replacement or malfunction of generation, transmission and/or related facilities on the System of Southwestern, or insufficient pool levels, the Customer's capacity charges for such month will be reduced for each such reduction in service by an amount computed under the formula:

$$R = (C \times K \times H) \div S$$

with the factors defined as follows:

R = The dollar amount of reduction in the monthly total capacity charges for a particular reduction of not less than two consecutive hours during any month, except that the total amount of any such reduction shall not exceed the product of the Customer's capacity charges associated with Hydro Peaking Power times the Peaking Billing Demand.

C = The Customer's capacity charges associated with Hydro Peaking Power for the Peaking Billing Demand for such month.

K = The reduction in kilowatts in Peaking Billing Demand for a particular event.

H = The number of hours duration of such particular reduction.

S = The number of hours that Peaking Energy is scheduled during such month, but not less than 60 hours times the Peaking Contract Demand.

Such reduction in charges shall fulfill Southwestern's obligation to deliver Hydro Peaking Power and Peaking Energy.

2.2. Peaking Energy and Supplemental Peaking Energy Rates, Terms, and Conditions

2.2.1. Peaking Energy Charge

\$0.0094 per kilowatthour of Peaking Energy delivered plus the Purchased Power Adder as defined in Section 2.2.3 of this Rate Schedule.

2.2.2. Supplemental Energy Charge

\$0.0094 per kilowatthour of Supplemental Peaking Energy delivered.

2.2.3. Purchased Power Adder

A purchased power adder of \$0.0059 per kilowatthour of Peaking Energy delivered, as adjusted by the Administrator, Southwestern, in accordance with the procedure within this Rate Schedule.

2.2.3.1. Applicability of Purchased Power Adder

The Purchased Power Adder shall apply to sales of Peaking Energy. The Purchased Power Adder shall not apply to sales of Supplemental Peaking Energy or sales to any Customer which, by contract, has assumed the obligation to supply energy to fulfill the minimum of 1,200 kilowatthours of Peaking Energy per kilowatt of Peaking Contract Demand during a contract year (hereinafter "Contract Support Arrangements").

2.2.3.2. Procedure for Determining Net Purchased Power Adder Adjustment

Not more than twice annually, the Purchased Power Adder of \$0.0059 (5.9 mills) per kilowatthour of Peaking Energy, as noted in this Rate Schedule, may be adjusted

by the Administrator, Southwestern, by an amount up to a total of \pm \$0.0059 (5.9 mills) per kilowatthour per year, as calculated by the following formula:

$$ADJ = (\text{PURCH} - \text{EST} + \text{DIF}) \div \text{SALES}$$

with the factors defined as follows:

ADJ = The dollar per kilowatthour amount of the total adjustment, plus or minus, to be applied to the net Purchased Power Adder, rounded to the nearest \$0.0001 per kilowatthour, provided that the total ADJ to be applied in any year shall not vary from the then-effective ADJ by more than \$0.0059 per kilowatthour;

PURCH = The actual total dollar cost of Southwestern's System Direct Purchases as accounted for in the financial records of the Southwestern Federal Power System for the period;

EST = The estimated total dollar cost (\$13,273,800 per year) of Southwestern's System Direct Purchases used as the basis for the Purchased Power Adder of \$0.0059 per kilowatthour of Peaking Energy;

DIF = The accumulated remainder of the difference in the actual and estimated total dollar cost of Southwestern's System Direct Purchases since the effective date of the currently approved Purchased Power Adder set forth in this Rate Schedule, which remainder is not projected for recovery through the ADJ in any previous periods;

SALES = The annual Total Peaking Energy sales projected to be delivered (2,241,300,000 KWh per year) from the System of Southwestern, which total was used as the basis for the \$0.0059 per kilowatthour Purchased Power Adder.

2.3. Transformation Service Rates, Terms, and Conditions

2.3.1. Monthly Capacity Charge for Transformation Service

\$0.46 per kilowatt will be assessed for capacity used to deliver energy at any point of delivery at which Southwestern provides transformation service for deliveries at voltages of 69 kilovolts or less from higher voltage facilities.

2.3.2. Applicability of Capacity Charge for Transformation Service

Unless otherwise specified by contract, for any particular month, a charge for transformation service will be assessed on the greater of (1) that month's highest metered demand, or (2) the highest metered demand recorded during the previous 11 months, at any point of delivery. For the purpose of this Rate Schedule, the highest metered demand will be based on all deliveries, of both Federal and non-Federal energy, from the System of Southwestern, at such point during such month.

2.4. Ancillary Services Rates, Terms, and Conditions

2.4.1. Capacity Charges for Ancillary Services

2.4.1.1. Regulation and Frequency Response Service

Monthly rate of \$0.07 per kilowatt of Peaking Billing Demand plus the Regulation

Purchased Adder as defined in Section 2.4.5 of this Rate Schedule.

2.4.1.2. Spinning Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of Peaking Billing Demand.

Daily rate of \$0.00066 per kilowatt for non-Federal generation inside Southwestern's Balancing Authority Area.

2.4.1.3. Supplemental Operating Reserve Service

Monthly rate of \$0.0146 per kilowatt of Peaking Billing Demand.

Daily rate of \$0.00066 per kilowatt for non-Federal generation inside Southwestern's Balancing Authority Area.

2.4.1.4. Energy Imbalance Service

\$0.0 per kilowatt for all reservation periods.

2.4.2. Availability of Ancillary Services

Regulation and Frequency Response Service and Energy Imbalance Service are available only for deliveries of power and energy to load within Southwestern's Balancing Authority Area. Spinning Operating Reserve Service and Supplemental Operating Reserve Service are available only for deliveries of non-Federal power and energy generated by resources located within Southwestern's Balancing Authority Area and for deliveries of all Hydro Peaking Power and associated energy from and within Southwestern's Balancing Authority Area. Where available, such Ancillary Services must be taken from Southwestern; unless, arrangements are made in accordance with Section 2.4.4 of this Rate Schedule.

2.4.3. Applicability of Charges for Ancillary Services

For any month, the charges for Ancillary Services for deliveries of Hydro Peaking Power shall be based on the Peaking Billing Demand.

The daily charge for Spinning Operating Reserve Service and Supplemental Operating Reserve Service for non-Federal generation inside Southwestern's Balancing Authority Area shall be applied to the greater of Southwestern's previous day's estimate of the peak, or the actual peak, in kilowatts, of the internal non-Federal generation.

2.4.4. Provision of Ancillary Services by Others

Customers for which Ancillary Services are made available as specified above, must inform Southwestern by written notice of the Ancillary Services which they do *not* intend to take and purchase from Southwestern, and of their election to provide all or part of such Ancillary Services from their own resources or from a third party.

Subject to Southwestern's approval of the ability of such resources or third parties to meet Southwestern's technical and operational requirements for provision of such Ancillary Services, the Customer may change the Ancillary Services which it takes from Southwestern and/or from other sources at the beginning of any month upon the greater of 60 days notice or upon completion of any necessary equipment modifications necessary to accommodate such change; *Provided*, That, if the Customer chooses not

to take Regulation and Frequency Response Service, which includes the associated Regulation Purchased Adder, the Customer must pursue these services from a different host Balancing Authority; thereby moving all metered loads and resources from Southwestern's Balancing Authority Area to the Balancing Authority Area of the new host Balancing Authority. Until such time as that meter reconfiguration is accomplished, the Customer will be charged for the Regulation and Frequency Response Service and applicable Adder then in effect. The

Customer must notify Southwestern by July 1 of this choice, to be effective the subsequent calendar year.

2.4.5. Regulation Purchased Adder

Southwestern has determined the amount of energy used from storage to provide Regulation and Frequency Response Service in order to meet Southwestern's Balancing Authority Area requirements. The replacement value of such energy used shall be recovered through the Regulation Purchased Adder. The Regulation Purchased

Adder during the time period of January 1 through December 31 of the current calendar year is based on the average annual use of energy from storage¹ for Regulation and Frequency Response Service and Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies.

The Regulation Purchased Adder will be phased in over a period of four (4) years as follows:

Year	Regulation purchased adder for the incremental replacement value of energy used from storage
2014	¼ of the average annual use of energy from storage × 2014 Purchased Power price.
2015	½ of the average annual use of energy from storage × 2015 Purchased Power price.
2016	¾ of the average annual use of energy from storage × 2016 Purchased Power price.
2017 and thereafter	The total average annual use of energy from storage × the applicable Purchased Power price.

2.4.5.1. Applicability of Regulation Purchased Adder

The replacement value of the estimated annual use of energy from storage for Regulation and Frequency Response Service shall be recovered by Customers located within Southwestern's Balancing Authority Area on a non-coincident peak ratio share basis, divided into twelve equal monthly payments, in accordance with the formula in Section 2.4.5.2.

If the Regulation Purchased Adder is determined and applied under Southwestern's Rate Schedule NFTS-13, then it shall not be applied here.

2.4.5.2. Procedure for Determining Regulation Purchased Adder

Unless otherwise specified by contract, the Regulation Purchased Adder for an individual Customer shall be based on the following formula rate, calculated to include the replacement value of the estimated annual use of energy from storage by Southwestern for Regulation and Frequency Response Service.

RPA = The Regulation Purchased Adder for an individual Customer per month, which is as follows:

$$[(L_{Customer} + L_{Total}) \times RP_{Total}] \div 12$$

with the factors defined as follows:

L_{Customer} = The sum in MW of the following three factors:

- (1) The Customer's highest metered load plus generation used to serve the Customer's load that is accounted for through a reduction in the Customer's metered load (referred to as 'generation behind the meter') during the previous calendar year, and
- (2) The Customer's highest rate of Scheduled Exports² during the previous calendar year, and
- (3) The Customer's highest rate of Scheduled Imports² during the previous calendar year.

L_{Total} = The sum of all L_{Customer} factors for all Customers that were inside Southwestern's Balancing Authority

Area at the beginning of the previous calendar year in MW.

RP_{Total} = The "net" cost in dollars and cents based on Southwestern's estimated purchased power price for the corresponding year from the most currently approved Power Repayment Studies multiplied by the average annual use of energy from storage, as provided for in the table in Section 2.4.5, to support Southwestern's ability to regulate within its Balancing Authority Area. The "net" cost in dollars and cents shall be adjusted by subtracting the product of the quantity of such average annual use of energy from storage in MWh and Southwestern's highest rate in dollars per MWh for Supplemental Peaking Energy during the previous calendar year.

For Customers that have aggregated their load, resources, and scheduling into a single node by contract within Southwestern's Balancing Authority Area, the individual Customer's respective Regulation Purchased Adder shall be that Customer's ratio share of the Regulation Purchased Adder established for the node. Such ratio share shall be determined for the Customer on a non-coincident basis and shall be calculated for the Customer from their highest metered load plus generation behind the meter.

2.4.6. Energy Imbalance Service Limitations

Energy Imbalance Service primarily applies to deliveries of power and energy which are required to satisfy a Customer's load. As Hydro Peaking Power and associated energy are limited by contract, the Energy Imbalance Service bandwidth specified for Non-Federal Transmission Service does not apply to deliveries of Hydro Peaking Power, and therefore Energy Imbalance Service is not charged on such deliveries. Customers who consume a capacity of Hydro Peaking Power greater than their Peaking Contract Demand may be subject to a Capacity Overrun Penalty.

3. Hydro Peaking Power Penalties, Terms, and Conditions

3.1. Capacity Overrun Penalty

3.1.1. Penalty Charge for Capacity Overrun

For each hour during which Hydro Peaking Power was provided at a rate greater than that to which the Customer is entitled, the Customer will be charged a Capacity Overrun Penalty at the following rates:

Months associated with charge	Rate per kilowatt
March, April, May, October, November, December	\$0.15
January, February, June, July, August, September ...	0.30

3.1.2. Applicability of Capacity Overrun Penalty

Customers which have loads within Southwestern's Balancing Authority Area are obligated by contract to provide resources, over and above the Hydro Peaking Power and associated energy purchased from Southwestern, sufficient to meet their loads. A Capacity Overrun Penalty shall be applied only when the formulas provided in Customers' respective Power Sales Contracts indicate an overrun on Hydro Peaking Power, and investigation determines that all resources, both firm and non-firm, which were available at the time of the apparent overrun were insufficient to meet the Customer's load.

3.2. Energy Overrun Penalty

3.2.1. Penalty Charge for Energy Overrun

\$0.1034 per kilowatthour for each kilowatthour of overrun.

3.2.2. Applicability of Energy Overrun Penalty

By contract, the Customer is subject to limitations on the maximum amounts of Peaking Energy which may be scheduled under the Customer's Power Sales Contract. When the Customer schedules an amount in

¹ The average annual use of energy from storage for Regulation and Frequency Response Service is based on Southwestern studies.

² Scheduled Exports and Scheduled Imports are transactions, such as sales and purchases respectively, which are in addition to a Customer's

metered load that contribute to Southwestern's Balancing Authority Area need for regulation.

excess of such maximum amounts, such Customer is subject to the Energy Overrun Penalty.

3.3. Power Factor Penalty

3.3.1. Requirements Related to Power Factor

Any Customer served from facilities owned by or available by contract to Southwestern will be required to maintain a power factor of not less than 95 percent and will be subject to the following provisions.

3.3.2. Determination of Power Factor

The power factor will be determined for all Demand Periods and shall be calculated under the formula:

$$PF = (kWh) \div \sqrt{(kWh^2 + rkVAh^2)}$$

with the factors defined as follows:

PF = The power factor for any Demand Period of the month.

kWh = The total quantity of energy which is delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4.

rkVAh = The total quantity of reactive kilovolt-ampere-hours (kVARs) delivered during such Demand Period to the point of delivery or interconnection in accordance with Section 3.3.4. {tc\1 "2.2 Reservation Priority For Existing Firm Service Customers"}

3.3.3. Penalty Charge for Power Factor

The Customer shall be assessed a penalty for all Demand Periods of a month where the power factor is less than 95 percent lagging. For any Demand Period during a particular month such penalty shall be in accordance with the following formula:

$$C = D \times (0.95 - LPF) \times \$0.10$$

with the factors defined as follows:

C = The charge in dollars to be assessed for any particular Demand Period of such month that the determination of power factor "PF" is calculated to be less than 95 percent lagging.

D = The Customer's demand in kilowatts at the point of delivery for such Demand Period in which a low power factor was calculated.

LPF = The lagging power factor, if any, determined by the formula "PF" for such Demand Period.

If C is negative, then C = zero (0).

3.3.4. Applicability of Power Factor Penalty

The Power Factor Penalty is applicable to radial interconnections with the System of Southwestern. The total Power Factor Penalty for any month shall be the sum of all charges "C" for all Demand Periods of such month. No penalty is assessed for leading power factor. Southwestern, in its sole judgment and at its sole option, may determine whether power factor calculations should be applied to (i) a single physical point of delivery, (ii) a combination of physical points of delivery where a Customer has a single, electrically integrated load, (iii) or interconnections. The general criteria for such decision shall be that, given the configuration of the Customer's and Southwestern's systems, Southwestern will determine, in its sole judgment and at its sole

option, whether the power factor calculation more accurately assesses the detrimental impact on Southwestern's system when the above formula is calculated for a single physical point of delivery, a combination of physical points of delivery, or for an interconnection as specified by an Interconnection Agreement.

Southwestern, at its sole option, may reduce or waive Power Factor Penalties when, in Southwestern's sole judgment, low power factor conditions were not detrimental to the System of Southwestern due to particular loading and voltage conditions at the time the power factor dropped below 95 percent lagging.

4. Hydro Peaking Power Miscellaneous Rates, Terms, and Conditions {tc\12 "2 Initial Allocation and Renewal Procedures"}

4.1. Real Power Losses {tc\13 "2.1 Initial Allocation and Renewal Procedures"}

Customers are required to self-provide all Real Power Losses for non-Federal energy transmitted by Southwestern on behalf of such Customers under the provisions detailed below.

Real Power Losses are computed as four (4) percent of the total amount of non-Federal energy transmitted by Southwestern. The Customer's monthly Real Power Losses are computed each month on a megawatthour basis as follows:

$$ML = 0.04 \times NFE$$

with the factors defined as follows:

ML = The total monthly loss energy, rounded to the nearest megawatthour, to be scheduled by a Customer for receipt by Southwestern for Real Power Losses associated with non-Federal energy transmitted on behalf of such Customer; and

NFE = The amount of non-Federal energy that was transmitted by Southwestern on behalf of a Customer during a particular month.

The Customer must schedule or cause to be scheduled to Southwestern, Real Power Losses for which it is responsible subject to the following conditions:

4.1.1. The Customer shall schedule and deliver Real Power Losses back to Southwestern during the second month after they were incurred by Southwestern in the transmission of the Customer's non-Federal power and energy over the System of Southwestern unless such Customer has accounted for Real Power Losses as part of a metering arrangement with Southwestern.

4.1.2. On or before the twentieth day of each month, Southwestern shall determine the amount of non-Federal loss energy it provided on behalf of the Customer during the previous month and provide a written schedule to the Customer setting forth hour-by-hour the quantities of non-Federal energy to be delivered to Southwestern as losses during the next month.

4.1.3. Real Power Losses not delivered to Southwestern by the Customer, according to the schedule provided, during the month in which such losses are due shall be billed by Southwestern to the Customer to adjust the end-of-month loss energy balance to zero (0) megawatthours and the Customer shall be

obliged to purchase such energy at the following rates:

Months associated with charge	Rate per kilowatthour
March, April, May, October, November, December	\$0.15
January, February, June, July, August, September ...	0.30

4.1.4. Real Power Losses delivered to Southwestern by the Customer in excess of the losses due during the month shall be purchased by Southwestern from the Customer at a rate per megawatthour equal to Southwestern's rate per megawatthour for Supplemental Peaking Energy, as set forth in Southwestern's then-effective Rate Schedule for Hydro Peaking Power to adjust such hourly end-of-month loss energy balance to zero (0) megawatthours.

4.2. Peaking Energy Schedule Submission Time

Southwestern's Peaking Energy Schedule Submission Time is on or before 8:30 a.m. Central Prevailing Time (CPT), as adjusted by the Administrator, Southwestern, in accordance with Section 4.2.2 in this Rate Schedule, of the day preceding the day for the delivery of Peaking Energy. The Peaking Energy Schedule Submission Time supersedes the Peaking Energy schedule submission time provided in the Customer's Power Sales Contract, pursuant to Section 4.2.1 of this Rate Schedule. Reductions to Peaking Energy schedules may be made in accordance with Section 4.2.3 of this Rate Schedule.

4.2.1. Applicability of Peaking Energy Schedule Submission Time

The Peaking Energy Schedule Submission Time shall apply to the scheduling of Peaking Energy. The Peaking Energy Schedule Submission Time shall not apply to the scheduling of Supplemental Peaking Energy or to Contract Support Arrangements.

4.2.2. Procedure for Adjusting the Peaking Energy Schedule Submission Time

Not more than once annually, the Peaking Energy Schedule Submission Time of 8:30 a.m. CPT, as noted in Section 4.2 of this Rate Schedule, may be adjusted by the Administrator, Southwestern, to a time no earlier than 8:00 a.m. CPT and no later than 9:00 a.m. CPT.

4.2.2.1. Determination of Need To Adjust the Peaking Energy Schedule Submission Time

The Administrator, Southwestern, will make a determination on the need to adjust the Peaking Energy Schedule Submission Time based on Southwestern's studies involving financial analysis, regional energy market conditions, and/or operational considerations.

4.2.2.2. Notification of Peaking Energy Schedule Submission Time Adjustment

The Administrator, Southwestern, will notify customers of the determination to adjust the Peaking Energy Schedule Submission Time in writing no later than 30 calendar days prior to the effective date of

the Peaking Energy Schedule Submission Time adjustment.

4.2.3. Reductions to Peaking Energy Schedules After the Peaking Energy Schedule Submission Time

Customers may reduce Peaking Energy Schedules submitted for July 15, 2023, through September 15, 2023, after the Peaking Energy Schedule Submission Time in accordance with this Section 4.2.3. Such changes must be coordinated with Southwestern Scheduling and Operations staff no later than 2:00 p.m. CPT the day prior to schedule implementation.

4.2.3.1. Customers must submit a Peaking Energy Schedule by the Peaking Energy Schedule Submission Time.

4.2.3.2. For hours the Customer has scheduled a non-zero energy amount, the Customer may reduce the amount of Peaking Energy scheduled for that same hour by no more than 25 percent. Customers may not increase the Peaking Energy scheduled for any hour.

4.2.3.3. For determining the 25 percent Peaking Energy hourly reduction limit, fractional megawatt reductions will round to the nearest whole megawatt. Values ending in 0.01 to 0.49 will round down and values ending in 0.50 to 0.99 will round up.

4.2.3.4. Customers choosing to reduce the Peaking Energy Schedule must adjust the applicable transaction tag to reflect the desired reductions no later than 2:00 CPT the day prior to schedule implementation.

[FR Doc. 2023-14401 Filed 7-6-23; 8:45 am]

BILLING CODE P

ENVIRONMENTAL PROTECTION AGENCY

[FRL OP-OFA-076]

Environmental Impact Statements; Notice of Availability

Responsible Agency: Office of Federal Activities, General Information 202-564-5632 or <https://www.epa.gov/nepa>. Weekly receipt of Environmental Impact Statements (EIS)

Filed June 26, 2023 10 a.m. EST

Through June 30, 2023 10 a.m. EST Pursuant to 40 CFR 1506.9.

Notice: Section 309(a) of the Clean Air Act requires that EPA make public its comments on EISs issued by other Federal agencies. EPA's comment letters on EISs are available at: <https://cdxapps.epa.gov/cdx-enepa-II/public/action/eis/search>.

EIS No. 20230082, Final, BLM, CO, Proposed Eastern Colorado Resource Management Plan and Environmental Impact Statement, Review Period Ends: 08/07/2023, Contact: Doug Vilsack, BLM CO State Director 303-239-3700.

EIS No. 20230083, Final, FERC, TN, Cumberland Project, Review Period

Ends: 08/07/2023, Contact: Office of External Affairs 866-208-3372.

Dated: June 30, 2023.

Cindy S. Barger,

Director, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 2023-14291 Filed 7-6-23; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060-1028; FR ID 151822]

Information Collection Being Submitted for Review and Approval to Office of Management and Budget

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Pursuant to the Small Business Paperwork Relief Act of 2002, the FCC seeks specific comment on how it can further reduce the information collection burden for small business concerns with fewer than 25 employees.

DATES: Written comments and recommendations for the proposed information collection should be submitted on or before August 7, 2023.

ADDRESSES: Comments should be sent to www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review—Open for Public Comments" or by using the search function. Your comment must be submitted into www.reginfo.gov per the above instructions for it to be considered. In addition to submitting in www.reginfo.gov also send a copy of your comment on the proposed information collection to Cathy Williams, FCC, via email to PR@fcc.gov and to Cathy.Williams@fcc.gov. Include in the comments the OMB control number as shown in the **SUPPLEMENTARY INFORMATION** below.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collection, contact Cathy Williams at (202) 418-2918. To view a copy of this information collection request (ICR) submitted to OMB: (1) go to the web page <http://www.reginfo.gov/>

[public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain), (2) look for the section of the web page called "Currently Under Review," (3) click on the downward-pointing arrow in the "Select Agency" box below the "Currently Under Review" heading, (4) select "Federal Communications Commission" from the list of agencies presented in the "Select Agency" box, (5) click the "Submit" button to the right of the "Select Agency" box, (6) when the list of FCC ICRs currently under review appears, look for the Title of this ICR and then click on the ICR Reference Number. A copy of the FCC submission to OMB will be displayed.

SUPPLEMENTARY INFORMATION: The Commission may not conduct or sponsor a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

As part of its continuing effort to reduce paperwork burdens, as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501-3520), the FCC invited the general public and other Federal Agencies to take this opportunity to comment on the following information collection. Comments are requested concerning: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology. Pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, see 44 U.S.C. 3506(c)(4), the FCC seeks specific comment on how it might "further reduce the information collection burden for small business concerns with fewer than 25 employees."

OMB Control No.: 3060-1028.

Title: International Signaling Point Code (ISPC).

Form No.: N/A.

Type of Review: Revision of a currently approved collection.

Respondents: Business or other for-profit entities.

Number of Respondents: 11 respondents; 20 responses.

Estimated Time per Response: 0.5 hours-3 hours.