Pick-Sloan Missouri Basin Program

EASTERN DIVISION

WESTERN AREA POWER ADMINISTRATION

Customer Brochure – August 2017

Proposed Rates for Firm Electric Service and Sale of Surplus Products

2018 Rate Adjustment Process

Rate Order No. WAPA-180

Western Area Power Administration

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https://www.wapa.gov/regions/UGP/rates/Pages/2018-firm-rate-adjustment.aspx

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INTRODUCTION

This brochure provides information on Western Area Power Administration's (WAPA) proposed firm power rate adjustment for the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED) under Rate Order No. WAPA-180. The rate adjustment procedures are outlined in Appendix A of this brochure.

Project Description: The Pick-Sloan Missouri Basin Program (P-SMBP), originally the Missouri River Basin Project was authorized by Congress in the Flood Control Act of 1944. The multipurpose program provides authorization for construction of certain public works and improvements on rivers and harbors for flood control, generation of hydropower, resources for water supply and irrigation, aids to navigation, preservation of water quality, enhancement of fish and wildlife and creation of recreation opportunities. Pick-Sloan power is marketed by two WAPA regions. The Upper Great Plains Region (UGP) markets the Eastern division and the Rocky Mountain Region (RMR) markets the Western division through the Loveland Area Projects.

Seven mainstem dams and power plants on the Missouri River produce hydroelectric power for the Eastern Division of the Pick-Sloan. They are Canyon Ferry Dam in western Montana; Fort Peck Dam at Fort Peck, Montana; Garrison Dam at Riverdale, North Dakota; Oahe Dam at Pierre, South Dakota; Big Bend Dam at Fort Thompson, South Dakota; and the Fort Randall and Gavins Point Dams in southern South Dakota. The Yellowtail Dam on the Bighorn River in south-central Montana produces power for both the Eastern and the Western Divisions of the Pick-Sloan. Including one-half of Yellowtail Dam, Eastern Division power plants generate more than 10 billion kilowatt-hours in an average year.

UGP's almost 340 customers include rural electric cooperatives, municipalities, public utilities, public power districts, Native American tribes, irrigation districts, and Federal and state agencies. Energy available after WAPA meets its firm preference power customer obligations is sold in the Southwest Power Pool (SPP) Integrated Marketplace.

The UGP has entered into a rate adjustment process to increase the Base Charge components of the firm power rates for the Pick-Sloan Missouri Basin Program Eastern Division (P-SMBP--ED); the proposed effective date is January 1, 2018. Concurrently, WAPA will be reducing the P-SMBP Drought Adder Charge components of the firm power rates to zero. The anticipated net effect is the firm power rates for the P-SMBP--ED will be decreasing overall from the current rates. The Loveland Area Projects rate adjustment has been proposed in a separate public process.

PICK-SLOAN MISSOURI BASIN PROGRAM POWER REPAYMENT STUDY

A Power Repayment Study (PRS) for the P-SMBP is prepared annually by WAPA in cooperation with the Bureau of Reclamation (Reclamation) and the Corps of Engineers (Corps). Hydrology, water depletions, power generation, project development, and cost projections are among the contributions made by Reclamation and the Corps. Power repayment studies are prepared in accordance with authorizing legislation and with Department of Energy (DOE) Order No. RA 6120.2 (Power Marketing Administration Financial Reporting).

The PRS summarizes historic revenues, expenses, and investments to be recovered by the rates. It also estimates income, expenses, and investments for future years. The PRS demonstrates the application of revenues, as well as the annual repayment of power system production and transmission costs, and other costs assigned to power for repayment. Total Federal investment remaining to be repaid over the repayment period or service life is also shown. Revenues, expenses, and investments are entered into the PRS from historical data and from short-term, future budget estimates. These figures are then used to estimate long-term projections of revenues and expenses.

The PRS is used to determine if power revenues are sufficient to pay all project costs allocated to power for repayment within the appropriate repayment period. The PRS first applies the revenue to a payment of total annual operating expense, which includes operation and maintenance (O&M), purchased power and transmission, and interest. The revenues are then applied toward investments in the following order: required principal payments (payments at the end of their repayment period), deficits (capitalized expenses and required payments from years when revenues did not cover all expenses), and discretionary principal payments (payments on investments that are not at the end of their repayment period). Discretionary principal payments are normally made first to investments having the highest interest rate.

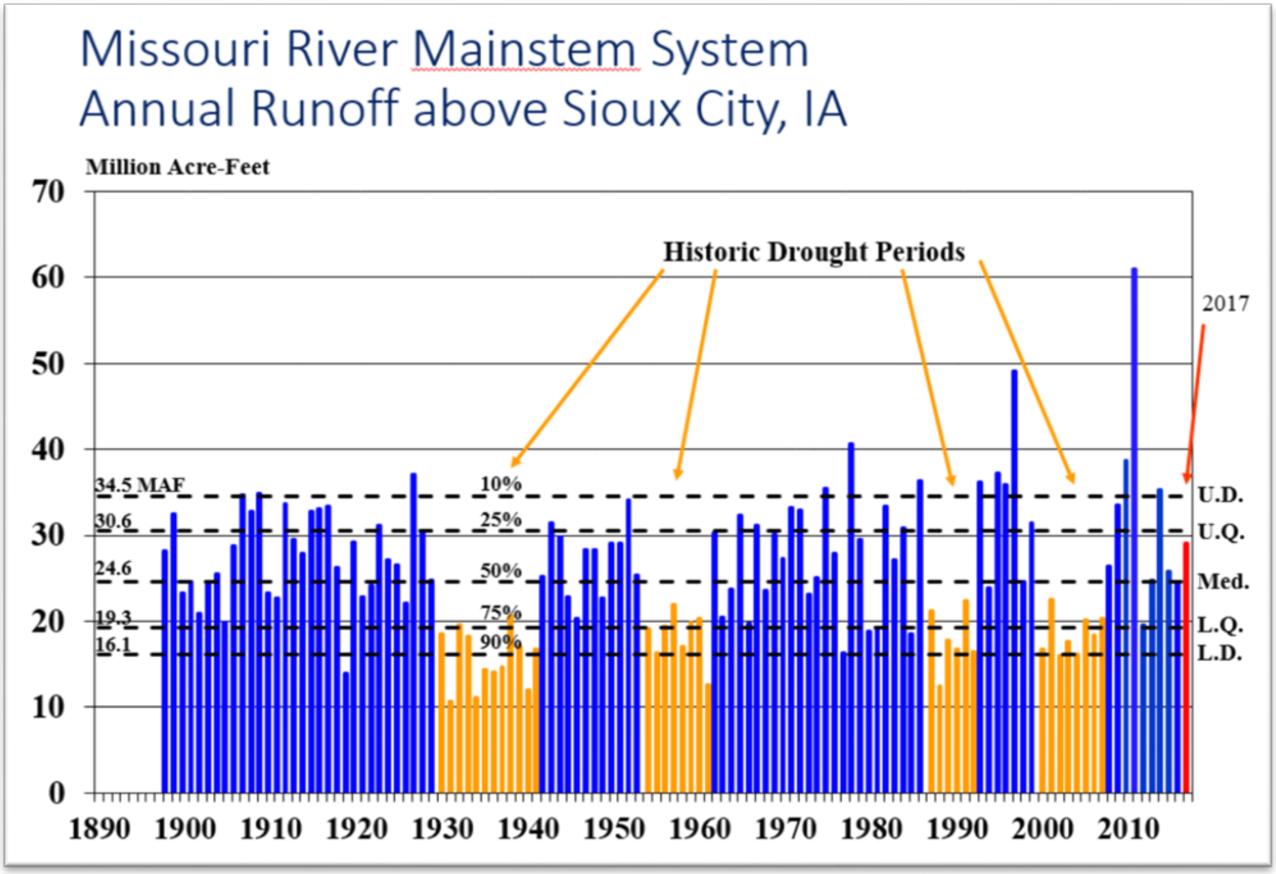
Impacts to the Rate: Drought, annual operating expense, power investment, and capitalized deficits and associated interest all impact the firm power rate.

> **Drought:** The P-SMBP had 8 consecutive years of drought (below normal runoff) from 2000 to 2007. The result was a reduction in hydropower generation that caused purchase power expense to increase and revenue from non-firm energy sales to decrease. Table 1 shows the Missouri River Main Stem runoff above Sioux City, Iowa,

including the historic drought periods. During periods of drought, WAPA must purchase replacement energy on the open market at rates generally much higher than WAPA's rates to meet firm energy obligations. From 2001-2009 the P-SMBP firm power rates were increased just over 230 percent in response to purchasing replacement energy due to the extreme drought conditions, however, power revenues were falling short of annual expenses. As a result, the P-SMBP accumulated approximately $843.2 M in capitalized drought deficits. As the drought ended and reservoir storage recovered, generation increased and keeping the increased firm power rates in place, repayment of the capitalized drought deficits and associated interest is being realized. With the last drought deficit payment planned for 2018, one year ahead of schedule, the Drought Adder portion of the proposed firm power composite rate will be reduced to 0.00 mills/kWh, and the Base component of the rate will increase to 24.29 mills/kWh resulting in a total P-SMBP composite rate of 24.29.

The following Table 1, prepared by the Corps, highlights current conditions and historical droughts on the Missouri River Mainstem.

Table 1. Missouri River Mainstem Annual Runoff at Sioux City, Iowa (March 1, 2017)



Historically, rate adjustments have been associated with drought conditions in the Pick-Sloan, the following Tables 2 and 3 show the historical P-SMBP--ED rates for firm power and firm peaking power.

Table 2. Pick-Sloan Missouri Basin Program Firm Power Rate History

Pick-Sloan Missouri Basin Program Firm Power Rate History					
Rate Schedule	Study Year	Effective Date	Capacity Charge ($/kW-M)	Energy Charge (m/kWh)	Tip-Up (M/kWh)
MRB-F1		4/1/1950	0.75	3.00	None
MRB-F4		1/1/1954	0.75	3.00	None
MRB-F5		9/1/1965	1.00	3.00	None
UM-F1	FY72	4/1/1974	1.15	3.00	2.00
UM-F2	FY74	6/1/1977	1.20	3.17	2.01
P-SED-F1	FY80	8/1/1982	1.35	3.62	3.38
P-SED-F2	FY82	1/1/1985	1.65	4.41	3.38
P-SED-F3	FY87	10/1/1989	1.85	5.06	3.38
P-SED-F4	FY89 Step 1	10/1/1990	2.25	5.57	3.38
P-SED-F5	FY90 Step 1	10/1/1991	2.57	6.49	3.38
	Step 2	10/1/1992	2.74	7.09	3.38
P-SED-F6	FY92 Step 1	2/1/1994	3.00	7.76	3.38
	Step 2	10/1/1994	3.20	8.32	3.38
P-SED-F7	FY03 Step 1	2/1/2004	3.62	9.34	5.21
	Step 2	10/1/2004	3.72	9.62	5.21
P-SED-F8	FY05 Step 1	1/1/2006	4.20	10.69	5.21
	Step 2	2/1/2007	4.45	11.29	5.21
P-SED-F9 [1]	FY06	1/1/2008	5.65	13.99	0
P-SED-F10	FY07	2/1/2009	6.80	16.71	0
P-SED-F11	FY08	1/1/2010	7.65	19.05	0
P-SED-F12	FY13	1/1/15	7.65	19.05	0
P-SED-F12 (Modified Drought Adder)	FY16	1/1/17	6.50	16.18	0
P-SED-F13[2]	FY16	1/1/18	5.25	13.27	0

[1] 2008 was the implementation of the Base and Drought Adder components.
[2] Proposed Rate Schedule for 1/1/18.

Table 3. Pick-Sloan Missouri Basin Program Firm Peaking Power Rate History

Pick-Sloan Missouri Basin Program Firm Peaking Power Rate History				
Rate Schedule	Study Year	Effective Date	Capacity Charge ($/kW-M)	Energy Charge (m/kWh)
MRB-FP1		7/1/1969	1.00	3.00
UM-FP1	FY72	4/1/1974	1.10	3.25
UM-FP3	FY74	6/1/1977	1.20	3.33
P-SED-FP1	FY80	8/1/1982	1.35	3.62
P-SED-FP2	FY82	1/1/1985	1.65	4.41
P-SED-FP3	FY87	10/1/1989	1.85	5.06
	FY89			
P-SED-FP4	Step 1	10/1/1990	2.25	5.57
	FY90			
P-SED-FP5	Step 1	10/1/1991	2.57	6.49
	Step 2	10/1/1992	2.74	7.09
	FY 92			
P-SED-FP6	Step 1	2/1/1994	3.00	7.76
	Step 2	10/1/1994	3.20	8.32
	FY 03			
P-SED-FP7	Step 1	2/1/2004	3.62	9.34
	Step 2	10/1/2004	3.72	9.62
	FY05			
P-SED-FP8	Step 1	1/1/2006	4.20	10.69
	Step 2	1/1/2007	4.45	11.29
P-SED-FP9 [1]	FY06	1/1/2008	5.10	13.99
P-SED-FP10	FY07	2/1/2009	6.20	16.71
P-SED-FP11	FY08	1/1/2010	6.90	19.05
P-SED-FP12	FY13	1/1/15	6.90	19.05
P-SED-FP12 (Modified Drought Adder)	FY16	1/1/17	5.85	16.18
P-SED-FP13[2]	FY16	1/1/18	4.75	13.27

[1] 2008 was the implementation of the Base and Drought Adder components.

[2] Proposed Rate Schedule for 1/1/18.

Annual Operating Expense: For comparison of the 2015 Rate Setting PRS projected expense and the 2018 Rate Setting PRS, it is best to compare the “out-year” routine operation and maintenance (O&M) differences between the two PRSs as it heavily influences the final firm power rates. The term “out-year” in PRS terms means the first year after the 5th year of the 5-year cost evaluation period and represents the first year that O&M expenses forecasted for the next 95 years in the PRS are not adjusted for inflation. In the 2015 Rate Setting PRS the out-year was 2019. In the 2018 Rate Setting PRS the out-year is 2022. The out-year O&M in the 2018 Rate Setting PRS is approximately $17.8 M greater that the 2015 Rate Setting PRS or approximately 8.3% greater. Since the two out-years are three years apart, this equates to approximately 2.8% per year forecasted growth in O&M expenses, which is within our normal forecasted inflation of 3% per year for the O&M work plans submitted by Corps, WAPA, and Reclamation. The remaining annual expenses are in purchased power expense, transmission service expense, and interest expense.

The purchased power expenses are directly related to the forecast of replacement energy prices and volume of purchased energy. The purchase price of energy is set by supply and demand in the energy markets. Purchase power projections for the 5-year cost evaluation period have decreased by approximately $12.1 million per year.

From the 2015 Rate Setting PRS to the 2018 Rate Setting PRS there is a large increase in transmission expense increase; however, this is a result of a change in accounting treatment of transmission expenses and transmission revenues due to WAPA-UPG joining the Southwest Power Pool (SPP). The fiscal year 2016 was the first year of WAPA-UPG’s membership in the SPP Regional Transmission Organization. The increased transmission expenses are due to WAPA-UGP now taking transmission service from SPP. However, this transmission expense is offset by increased transmission revenues from SPP recovering the WAPA-UGP Annual Transmission Revenue Requirement by selling transmission service for WAPA-UGP. This change in the accounting practice differs from what was used when Western-UGP was the operator of the Integrated System and only recorded the net of the transmission revenues and expenses in its financial statements and PRSs.

For annual interest expense, like routine O&M discussed above, it is best to compare the “out-year” interest expense differences between the two PRSs as it heavily influences the final firm power rates. The out-year interest expense in the 2018 Rate Setting PRS is approximately $10.9 million greater than the 2015 Rate Setting PRS or approximately 10.9% greater. Since the two out-years are three years apart, this equates to approximately 3.6% per year forecasted growth in interest expenses, which attributed to the continued capital work plans submitted by Corps, WAPA, and Reclamation as discussed below in the Power Investment section.

Power Investment: To compare the 100 year forecast of power investment (replacements and additions) in the 2018 Rate Setting PRS with the power investment in the 2015 Rate Setting PRS, the cumulative investment in the hundredth year out should be compared in both studies. In the 2015 Rate Setting Study, cumulative power investment in 2113 was $5.484 billion. In the 2018 Rate Setting PRS, cumulative power investment is $5.670 billion in the year 2116. This 3.4 percent increase is related to normal inflation and relatively small increases in the amount of capitalized improvements and replacements projected in agency work plans.

Deficits and Interest Expense: P-SMBP has incurred significant deficits due to the drought increasing purchased power expense and reducing non-firm sales revenue. Approximately $843.2 million in capitalized deficits accrued from FY 2001 through FY 2009. Deficits are capitalized each year at the interest rate in effect that year. The 2018 Rate Setting PRS indicates that drought debt repayment is currently forecast to be fully repaid in 2018, ahead of schedule, and within the allowable 10 year repayment period.

PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION FIRM ELECTRIC SERVICE RATES

The current firm power rates, Rate Schedule P-SED-F12 and P-SED-FP12, became effective January 1, 2015, and was approved by the Federal Energy Regulatory Commission (FERC) on a final basis on March 18, 2015, FERC Docket No. EF15-3-000 (150 ¶ FERC 62,170). The rates are set to expire on December 31, 2019.

Proposed P-SMBP--ED Firm Electric Service Rates: The P-SMBP--ED firm electric service rates, Rate Schedule P-SED-F13 and P-SED-FP13, were developed from the revenue requirement calculated in the 2018 Rate Setting PRS for the P-SMBP. The proposed firm electric service rates are $5.25/kWmo for capacity and 13.27 mills/kWh for energy, the proposed peaking capacity rate of $4.75/kWmo for capacity and 13.27 mills/kWh for energy, are to be implemented in the first full billing period beginning on or after January 1, 2018.

2015 Revenue Requirement: The 2015 Rate Setting PRS annual revenue requirement necessary to meet repayment obligations for P-SMBP--ED was $332.8 million.

Total P-SMBP--ED revenue requirement of $332.8 million=
Firm Power Revenue $290.7 million + Voltage Discount Revenue Requirement $12.6 million+ Firm Peaking Power Revenue $29.5 million.

With projected energy sales of 8,742 GWh, the P-SMBP--ED has a firm composite rate of 33.25 mills/kWh (Rate Schedule P-SED-F12 & P-SED-FP12).

Effective January 1, 2017, the current composite rate for P-SMBP--ED was reduced from 33.25 mills kWh to 28.25 mills kWh, in accordance with the drought adder component annual review. The charge components under Rate Schedules P-SED-F12 & P-SED-FP12 were modified to reflect the 5 mill/kWh drought adder reduction. This 5 mill reduction is represented in total P-SMBP--ED revenue requirement.

Total P-SMBP--ED revenue requirement of $282.7 million=
Firm Power Revenue $247.0 million + Voltage Discount Revenue Requirement $10.7 million + Firm Peaking Power Revenue $25.0 million.

Proposed Revenue Requirement: The overall 2018 Rate Setting PRS annual revenue requirement necessary to meet repayment obligations for P-SMBP--ED firm and firm peaking power is $230.1 million. This is the total of the firm revenue and firm peaking power revenue requirements. This new revenue requirement no longer includes the 5 percent voltage discount revenue.

Total P-SMBP--ED revenue requirement of $230.1 million=
Firm Power Revenue $209.8 million + Firm Peaking Power Revenue $20.3 million.

With projected energy sales of 8,742 GWh, the P-SMBP--ED has a firm composite rate of 24.00 mills/kWh (Rate Schedule P-SED-F13 & P-SED-FP13). The proposed P-SMBP--ED revenue requirement is still formula based. P-SMBP--ED revenue requirement is $230.1 million = Base component revenue requirement + Drought Adder revenue requirement.

For the proposed rate adjustment:

P-SMBP--ED total revenue requirement =
$230.1 million + $0 million = $230.1 million.

The components are comprised as follows:

i. Base component revenue requirement = operation and maintenance expense + investments and replacements + interest on investments and replacements + normal timing purchase power + transmission costs. Any proposed change in the Base component will trigger a public process for rate adjustment.

ii. Drought Adder component revenue requirement = purchase power above timing purchases + previous purchase power drought deficits + interest on the purchase power drought deficits.

The Drought Adder component may be increased on an annual basis up to 2 mills/kWh. However, for any incremental increase above 2 mills/kWh, a public process is initiated. Although adjustments to the Drought Adder component may be either incremental or decremental based on hydrological conditions, the Drought Adder revenue requirement cannot go below zero.

The firm peaking revenue requirement which is $20.3 million. This is calculated by multiplying the firm peaking power billing units per year by the proposed peaking capacity rate of $4.75/kWmo

Voltage Discount: WAPA is proposing the removal of the 5 percent voltage discount currently in the existing P-SMBP--ED firm power rate schedule P-SED-F12 and removing it from the firm power revenue requirement. The voltage discount was originally created by Reclamation in its firm power rate schedules prior to the creation of WAPA. This discount was to compensate certain preference customers for providing "transmission" facilities otherwise provided by the Reclamation and later WAPA. The effect of providing this discount to certain customers is to raise the firm power rates to all customers to recover the dollars lost to the discount. By removing the voltage discount, the overall P-SMBP--ED firm power rate will be lower and all firm power customers will pay firm power rates on an equivalent basis. The original intent of the voltage discount has been met in its nearly 70 years of application. The voltage discount has been difficult to administer equitably among customers. It takes considerable staff time to administer, impedes simplifying power and energy billing, and adds complexity to solely UGP power billing. Removing the voltage discount is revenue neutral for WAPA.

Rate Design: The proposed P-SMBP--ED firm electric service rate is designed to recover 50 percent of the revenue requirement from the capacity rates and 50 percent from the energy rates. The firm capacity rate of $5.25/ kWmo is calculated by dividing 50 percent of the total annual revenue requirement by the number of billing units (kWmo) in a year. The energy rate of 13.27 mills/kWh is calculated by dividing 50 percent of the total annual revenue requirement by the annual energy sales. The energy rate is applied to firm energy sales and any firm peaking energy that is not returned to WAPA in accordance with customer contract arrangements.

Firm Power Rate Calculations:

Monthly Rates: The Eastern Division has historically and will continue to round the capacity rates to the nearest nickel. This causes a slight difference in the actual dollars collected between the capacity and energy. Though capacity and energy dollars are not exactly equal, capacity and energy each recover 50 percent of the revenue requirement. The capacity revenue requirement is 50 percent of the total annual revenue requirement less the dollars collected for peaking capacity. The calculation for the capacity and energy charges for firm power service are as follows:

Capacity Charge:

$93,849,409 =$5.25/kWmo
17,876,078 /kWmo

Energy Charge:

$115,988,891 =13.27 mills/kWh
8,742 GWh

Charge Components for Proposed Rate: Using the Base and Drought Adder, the calculations for the firm power service capacity and energy charges are as follows:

Base Component

Capacity:

$93,849,409 =$5.25/kWmo
17,876,078 kW

Energy:

$115,988,891 =13.27 mills/kWh
8,742 GWh

Drought Adder Component

Capacity:

$ 0 =$0.00/kWmo
17,876,078 kW

Energy:

$ 0 =0.00 mills/kWh
8,742 GWh

Firm Peaking Rate Calculations:

WAPA's rate design for firm electric capacity and firm peaking capacity are representative of the different products. Unlike the firm capacity product, the peaking customer pays the Firm Peaking capacity rate on their total firm peaking Contract Rate of Delivery (CROD) each month rather than firm peaking delivered each month. The first step of the firm peaking rate design is to calculate a capacity rate using the sum of the total allocated seasonal CRODs for both firm electric capacity and firm peaking capacity divided into total firm capacity revenue requirement. That firm peaking capacity rate is calculated to be $4.75/kWmo. The final revenue requirement for firm peaking capacity is calculated by multiplying the firm peaking power billing units per year by the proposed capacity rate of $4.75/kWmo. The proposed rate adjustment has a firm peaking revenue requirement of $20.3 million.

Monthly Rates: The calculation for the capacity and energy charges for firm peaking power service are as follows:

Capacity Charge:

$$\frac{\$114{,}517{,}218}{24{,}108{,}888 \text{ kW}} = \$4.75/\text{kWmo}$$

Energy Charge[1]**:**

13.27 mills/kWh

Charge Components: Using the proposed Base and Drought Adder components, the calculations for the firm peaking power service capacity and energy charges are as follows:

Base Component

Capacity:

$$\frac{\$20{,}292{,}000}{4{,}272{,}000 \text{ kW}} = \$4.75/\text{kWmo}$$

Energy[1]**:**

13.27 mills/kWh

Drought Adder Component

Capacity:

$$\frac{\$\ 0}{4{,}272{,}000 \text{ kW}} = \$0.00/\text{kWmo}$$

Energy[1]**:**

0.00 mills/kWh

[1]Firm peaking energy is normally returned. This rate will be assessed in the event firm peaking energy is not returned

Sale of Surplus Products: WAPA is proposing a new formula-based rate schedule, P-SED-M1, applicable to the sale of surplus energy and capacity products. The schedule includes reserves, regulation, frequency response, and energy. If WAPA UGP surplus products are available, the charge will be determined based on market rates, plus administrative costs. This is not a new business practice as WAPA UGP has historically sold energy at market rates, however this new rate schedule is documenting the authority for short-term sales. If any P-SMBP--ED surplus energy and capacity products are available, UGP can make the product(s) available for sale providing entities enter into separate agreement(s) with UGP Marketing Office which will specify the terms of sale(s). The customer will be responsible for acquiring transmission service necessary to deliver the product(s) for which a separate charge may be incurred. WAPA is proposing to place Rate Schedule P-SED-M1 into effect for the 5-year period beginning January 1, 2018, through December 31, 2022.

APPENDIX A - RATE ADJUSTMENT PROCEDURES

WAPA's rate adjustment procedures are governed by the "Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions" published in the Federal Register at 10 CFR Part 903.2(e). These procedures give interested parties an opportunity to participate in the development of power rates.

I. Notice of Proposed Rate and Consultation and Comment Period: Initially, a notice of the Proposed Rate and official time for public participation must be published in the Federal Register. The notice of Proposed Rates for Pick-Sloan Missouri Basin Program--Eastern Division, establishes a consultation and comment period. The period begins on the publication date of the Federal Register notice which was July 3, 2017 and closes 90 days later on October 2, 2017. During this period, interested parties may consult with and obtain information from WAPA's representatives. They may also examine data used in the power repayment studies and suggest changes. Specific details for providing comments are included in the Federal Register notice.

   A. Public Information Forum: WAPA's representatives present the Proposed Rate changes and answer questions. Those questions not answered at the public information forum receive written responses at least 15 days prior to the end of the consultation and comment period.

   B. Public Comment Forum: This forum provides a formal opportunity for interested parties to submit either written or oral comments to be shared with other attendees and WAPA representatives. Usually, WAPA does not respond to comments at this forum. However, comments are considered in developing the final rate adjustment, pursuant to 10 CFR 903.15 and 903.16.

   C. Written Comments: Interested parties may submit written comments and inquiries to WAPA during the consultation and comment period.

   D. Revision of Proposed Rate: After the close of the consultation and comment period, WAPA will review and consider comments. If appropriate, the Proposed Rate will be revised. If the Administrator determines that further public comment should be invited or is necessary, interested parties will be given a period of at least 30 days to submit additional comments concerning the Proposed Rate.

E. Preliminary Decision on Interim Rate: Following the end of the consultation and comment period, the Administrator will develop provisional rates. The Deputy Secretary of Energy for the Department of Energy (DOE) has the authority to confirm, approve, and place this rate into effect on an interim basis. The decision, together with an explanation of the principal factors leading to the decision, will be published in the Federal Register.

F. Final Approval of Interim Rate: The Deputy Secretary will submit information concerning the interim rate to the Federal Energy Regulatory Commission (FERC) and request final approval. The response of FERC will be to:

   1. give final confirmation and approval to the interim rate,

   2. disapprove the interim rate, or

   3. remand the matter to WAPA for further study.

The interim rate does not become final until it is approved by FERC.

APPENDIX B - PROPOSED RATE ADJUSTMENT SCHEDULE

Public Process

- FRN published July 3, 2017
- 90 day comment period began July 3, 2017 and ends October 2, 2017
- Record of Decision mid-September
- Implement rate January 1, 2018

EXHIBIT 1 -
2018 Rate Setting Power Repayment Study Executive Summary

PICK-SLOAN MISSOURI BASIN PROGRAM
2018 Rate Setting PRS
March 21, 2017

1/09 to 1/10 @	29.63 m/kWh
1/10 to 1/17y @	33.54 m/kWh
1/17 to 1/18 @	**28.54 m/kWh**
1/18 to end of study @	**24.29 m/kWh**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
		EXPENSES								
Fiscal Year	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense*	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adj.	Revenue After Annual Expenses
1950	4,032,802	1,718,811	62,415	0	343,100	0	630,866	2,755,192	0	1,277,610
1951	1,403,546	635,978	2,955	0	115,039	0	163,989	917,961	(2,555)	483,030
1952	2,371,956	995,925	2,349	0	226,107	0	416,075	1,640,456	(14,076)	717,424
1953	6,404,960	1,944,342	397,234	0	433,174	2,033,340	851,761	5,659,851	(28,897)	716,212
1954	8,201,212	2,429,876	312,303	0	551,812	4,070,899	1,540,636	8,905,526	(4,375)	(708,689)
1955	11,464,055	3,287,766	509,408	0	830,987	3,993,835	3,330,767	11,952,763	(61,226)	(549,934)
1956	14,583,175	3,993,721	942,728	0	1,064,791	4,640,456	6,001,018	16,642,714	(69,873)	(2,129,412)
1957	18,605,674	4,755,824	1,548,986	0	1,646,362	4,687,690	10,176,258	22,815,120	(157,367)	(4,366,813)
1958	21,383,943	5,514,715	1,282,583	0	1,532,389	5,077,549	9,326,383	22,733,619	572,419	(777,257)
1959	21,686,893	6,372,603	616,995	0	1,597,729	5,381,682	11,897,667	25,866,676	(84,709)	(4,264,492)
1960	22,263,696	6,640,686	353,898	0	1,706,602	5,534,785	11,937,220	26,173,191	315	(3,909,180)
1961	25,237,450	7,072,309	1,969,522	0	1,401,148	4,977,077	12,644,920	28,064,976	(161,813)	(2,989,339)
1962	27,283,525	7,503,606	2,777,545	0	1,541,614	4,505,245	15,417,031	31,745,041	7,157	(4,454,359)
1963	29,903,437	8,218,813	561,752	0	8,303,674	5,950,035	16,423,889	39,458,163	19,898,222	10,343,496
1964	33,945,191	8,330,627	647,848	0	9,211,431	5,710,035	20,360,687	44,260,628	10,579,302	263,865
1965	38,498,293	10,379,471	498,395	0	9,720,934	5,421,253	20,920,684	46,940,737	9,543,062	1,100,618
1966	45,555,123	11,167,852	691,346	0	8,152,350	4,712,528	19,728,389	44,452,465	7,756,144	8,858,802
1967	48,934,452	12,208,793	1,440,064	0	4,628,080	5,733,777	21,134,129	45,144,843	4,556,681	8,346,290
1968	56,163,293	12,717,982	1,457,697	0	4,955,440	4,605,168	22,098,051	45,834,338	4,041,600	14,370,555
1969	60,471,540	14,861,608	1,776,630	0	5,220,924	4,815,777	22,013,054	48,687,993	5,575,747	17,359,294
1970	67,757,201	15,630,039	2,279,489	0	5,205,900	5,605,760	21,730,603	50,451,791	5,929,891	23,235,301
1971	75,286,588	17,309,204	2,107,587	0	5,128,872	5,607,865	21,092,425	51,245,953	3,955,391	27,996,026
1972	81,476,861	18,936,186	1,638,988	0	5,176,184	6,148,026	20,646,341	52,545,725	5,563,340	34,494,476
1973	75,926,400	20,980,605	3,222,065	0	(78,694,643)	6,009,053	20,285,737	(28,197,183)	(72,094,532)	32,029,051
1974	79,465,446	21,358,357	6,475,886	0	0	6,470,029	19,619,122	53,923,394	303,199	25,845,251
1975	91,429,189	23,905,035	4,331,350	0	0	7,504,375	20,140,565	55,881,325	97,397	35,645,261
1976	157,438,809	33,134,748	1,664,373	0	0	9,623,785	23,336,715	67,759,621	403,671	90,082,859
1977	105,537,823	29,626,412	4,951,931	0	0	6,447,664	16,844,869	57,870,876	728,682	48,395,629
1978	116,303,032	37,416,972	13,238,438	0	0	8,527,503	16,705,795	75,888,708	(473,350)	39,940,974
1979	126,310,264	38,077,976	212,542	0	0	5,714,076	16,358,183	60,362,777	2,856,345	68,803,832
1980	109,670,691	40,350,271	10,319,113	0	0	5,129,234	14,702,382	70,501,000	(1,007,739)	38,161,952
1981	121,906,412	42,467,747	7,533,606	0	0	16,524,000	15,524,038	82,049,391	(13,065,965)	26,791,056
1982	85,832,293	48,783,238	9,321,447	0	0	11,266,662	14,607,075	83,978,422	24,260,080	26,113,951
1983	122,372,292	52,989,151	1,757,810	0	0	10,506,400	13,026,937	78,280,298	(1,580,786)	42,511,208
1984	91,762,222	59,615,621	2,387,116	0	0	12,867,983	12,709,149	87,579,869	11,582,619	15,764,972
1985	150,987,753	68,404,426	2,486,456	0	0	11,810,024	12,215,641	94,916,547	348,420	56,419,626
1986	137,908,061	73,375,422	11,354,519	0	0	8,330,071	11,802,082	104,862,094	4,213,256	37,259,223
1987	142,991,169	73,743,307	1,142,883	0	0	9,321,366	14,961,508	99,169,064	(6,841)	43,815,264
1988	128,825,785	79,310,573	5,411,086	0	0	6,393,036	12,988,634	104,103,329	1,203,123	25,925,579
1989	122,042,634	85,276,334	11,779,054	0	0	7,712,650	27,420,999	132,189,037	(14,370,456)	(24,516,859)
1990	138,871,396	114,590,828	22,156,245	0	0	0	37,177,617	173,924,690	(22,346,094)	(57,399,388)
1991	135,177,698	64,558,257	49,879,411	0	0	0	12,497,784	126,935,452	(26,843,947)	(18,601,701)
1992	188,025,775	111,371,983	43,553,302	0	0	0	80,191,147	235,116,432	37,906,661	(9,183,996)
1993	199,475,420	112,554,956	72,932,183	0	0	0	47,750,260	233,237,399	(26,756,446)	(60,518,425)
1994	233,973,690	117,332,738	40,595,642	0	0	0	79,562,887	237,491,267	4,848,070	1,330,493
1995	246,958,364	123,408,480	32,521,722	0	0	0	56,686,116	212,616,318	3,780,614	38,122,660
1996	305,952,350	124,555,059	12,011,097	0	0	0	82,864,512	219,430,668	4,665,045	91,186,727
1997	316,665,118	121,159,914	23,211,483	0	0	0	84,834,621	229,206,018	4,150,365	91,609,465
1998	308,404,071	132,803,672	35,073,010	0	0	0	72,175,008	240,051,690	788,571	69,140,952
1999	333,645,165	136,382,770	48,228,718	0	0	0	68,212,820	252,824,308	2,200,292	83,021,149
2000	369,655,282	135,090,934	84,936,505	0	0	0	59,332,509	279,359,948	3,846,980	94,142,314
2001	371,480,057	127,919,232	273,295,272	12,862,882	0	0	63,060,685	477,138,071	(3,493,769)	(109,151,783)
2002	306,622,186	129,892,567	121,421,693	11,901,654	0	0	69,158,285	332,374,199	4,902,550	(20,849,463)
2003	359,825,102	137,772,313	148,655,855	16,520,489	0	0	70,973,469	373,922,126	2,416,554	(11,680,470)
2004	362,440,922	140,894,093	202,962,372	17,941,794	0	0	74,937,898	436,736,157	1,201,143	(73,094,092)
2005	372,329,206	149,572,516	270,400,647	12,350,821	0	0	80,784,426	513,108,410	1,193,466	(139,585,738)
2006	438,752,779	149,685,166	275,370,493	14,518,955	0	0	91,647,082	531,221,696	3,536,977	(88,931,940)
2007	396,051,170	153,457,999	311,962,764	17,205,747	0	0	99,396,327	582,022,837	(68,162)	(186,039,829)
2008	482,007,596	168,662,202	361,551,868	12,910,743	0	0	112,926,583	656,051,396	2,993,325	(171,050,475)
2009	521,790,433	172,757,816	258,379,657	12,629,323	0	0	125,011,313	568,778,109	(2,439,194)	(49,426,870)
2010	582,060,343	185,517,065	179,835,059	9,797,099	0	0	127,488,345	502,637,568	2,441,731	81,864,506
2011	619,227,884	193,954,577	116,126,457	11,870,320	0	0	124,437,890	446,389,244	5,880,537	178,719,177
2012	577,501,351	204,877,888	89,080,977	12,358,946	0	0	125,256,295	431,574,106	(12,013,223)	133,914,022
2013	578,906,551	215,396,727	124,302,600	13,736,627	0	0	118,732,102	472,168,056	(9,107,460)	97,631,035
2014	626,035,112	194,297,680	166,255,477	14,810,934	0	0	112,182,043	487,546,134	(2,021,094)	136,467,884
2015	601,298,605	218,105,044	93,931,082	16,820,307	0	0	116,279,142	445,135,575	5,005,189	161,168,219
2016	638,104,800	226,607,624	43,819,727	88,482,725	0	0	112,707,357	471,617,433	(1,345,269)	165,142,098
Prior Yr Adj.	75,804,675	107,319,611	4,714,160	0	0	(249,370,693)	37,732,169	(99,604,753)	(2,008,765)	173,400,663
HISTORICAL SUBTOTAL	13,376,668,242	5,181,942,643	3,628,633,870	296,719,366	0	0	2,917,728,966	12,025,024,845	4,106,150	1,355,749,547
2017	576,502,244	224,626,148	58,370,270	95,844,513	0	0	107,785,537	486,626,468	0	89,875,776
2018	530,152,249	222,891,639	42,883,962	95,844,513	0	0	111,507,374	473,127,488	0	57,024,761
2019	529,134,721	231,421,822	26,660,768	91,904,152	0	0	113,289,857	463,276,600	0	65,858,122
2020	528,090,909	235,358,927	26,883,629	91,258,975	0	0	111,487,276	464,988,807	0	63,102,103
2021	527,562,248	238,294,500	28,367,732	91,258,975	0	0	112,611,291	470,532,498	0	57,029,750
2022	529,884,828	230,898,632	0	90,715,652	0	0	111,360,858	432,975,142	0	96,909,686
2023	529,303,541	230,815,109	0	90,715,652	0	0	105,110,160	426,640,921	0	102,662,620
2024	528,684,174	230,728,841	0	90,715,652	0	0	97,094,028	418,538,522	0	110,145,652
2025	528,036,432	230,639,733	0	90,715,652	0	0	90,926,324	412,281,710	0	115,754,722
2026	527,385,140	230,547,691	0	90,715,652	0	0	81,788,625	403,051,968	0	124,333,173
2027	527,385,550	230,452,613	0	90,715,652	0	0	74,157,747	395,326,012	0	132,059,538
2028	527,402,397	230,354,394	0	90,715,652	0	0	66,804,104	387,874,150	0	139,528,247
2029	527,444,070	230,252,928	0	90,715,652	0	0	59,793,743	380,762,324	0	146,681,746
2030	527,514,117	230,148,105	0	90,715,652	0	0	52,727,547	373,591,305	0	153,922,813
2031	527,749,329	230,039,807	0	90,715,652	0	0	46,771,169	367,526,628	0	160,222,701
2032	528,003,224	229,927,917	0	90,715,652	0	0	40,536,135	361,179,704	0	166,823,520
2033	528,195,658	228,686,837	0	90,715,652	0	0	35,866,030	355,268,519	0	172,927,139
2034	528,039,055	227,415,765	0	90,715,652	0	0	31,457,553	349,588,971	0	178,450,085
2035	528,241,924	226,623,819	0	90,715,652	0	0	26,634,453	343,973,925	0	184,268,000
2036	528,443,216	226,370,102	0	90,715,652	0	0	22,450,996	339,536,750	0	188,906,466
2037	528,643,260	226,343,230	0	90,715,652	0	0	17,285,615	334,344,497	0	194,298,764
2038	528,852,613	226,315,215	0	90,715,652	0	0	12,137,513	329,168,381	0	199,684,233
2039	529,049,865	226,286,010	0	90,715,652	0	0	8,333,688	325,335,351	0	203,714,515
2040	525,880,503	226,255,564	0	90,715,652	0	0	2,898,610	319,869,827	0	206,010,676
2041	526,019,424	226,223,824	0	90,715,652	0	0	0	316,939,477	0	209,079,948
2042	526,083,373	226,190,735	0	90,715,652	0	0	0	316,906,388	0	209,176,986
2043	526,147,321	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,428,133
2044	526,221,770	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,502,582
2045	526,285,718	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,566,530
2046	526,360,161	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,640,973
2047	526,413,610	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,694,422
2048	526,551,058	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,831,870
2049	526,625,507	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,906,319
2050	526,689,455	225,003,536	0	90,715,652	0	0	0	315,719,188	0	210,970,267
2051	510,192,048	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,472,860
2052	510,140,797	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,421,609
2053	510,100,045	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,380,857

(1)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
	Capitalized Deficits					Replacements				
Fiscal Year	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investment	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments
1950	0	0	0	0	0	0	0	0	0	0
1951	0	0	0	0	0	0	0	0	0	0
1952	0	0	0	0	0	0	0	0	0	0
1953	0	0	0	0	0	0	0	0	0	0
1954	0	0	0	0	0	0	0	0	0	0
1955	0	0	0	0	0	0	0	0	0	0
1956	0	0	0	0	0	0	0	0	0	0
1957	0	0	0	0	0	0	0	0	0	0
1958	0	0	0	0	0	0	0	0	0	0
1959	0	0	0	0	0	0	0	0	0	0
1960	0	0	0	0	0	0	0	0	0	0
1961	0	0	0	0	0	0	0	0	0	0
1962	0	0	0	0	0	0	0	0	0	0
1963	0	0	0	0	0	0	0	0	0	0
1964	0	0	0	0	0	0	0	0	0	0
1965	0	0	0	0	0	0	0	0	0	0
1966	0	0	0	0	0	0	0	0	0	0
1967	0	0	0	0	0	0	0	0	0	0
1968	0	0	0	0	0	0	0	0	0	0
1969	0	0	0	0	0	0	0	0	0	0
1970	0	0	0	0	0	0	0	0	0	0
1971	0	0	0	0	0	0	0	0	0	0
1972	0	0	0	0	0	0	0	0	0	0
1973	0	0	0	0	0	9,012,728	0	9,012,728	9,012,728	9,012,728
1974	0	0	0	0	0	1,034,986	0	10,047,714	10,047,714	1,034,986
1975	0	0	0	0	0	710,141	0	10,757,855	10,757,855	710,141
1976	0	0	0	0	0	443,598	0	11,201,453	11,201,453	443,598
1977	0	0	0	0	0	1,026,682	0	12,228,135	12,228,135	1,026,682
1978	0	0	0	0	0	1,346,230	0	13,574,365	13,574,365	1,346,230
1979	0	0	0	0	0	1,465,927	0	15,040,292	15,040,292	1,465,927
1980	0	0	0	0	0	262,353	0	15,302,645	15,302,645	262,353
1981	0	0	0	0	0	72,079	0	15,374,724	15,374,724	72,079
1982	0	0	0	0	0	2,452,999	0	17,827,723	17,827,723	2,452,999
1983	0	0	0	0	0	539,278	0	18,367,001	18,367,001	539,278
1984	0	0	0	0	0	2,455,858	0	20,816,552	20,822,859	2,455,858
1985	0	0	0	0	0	1,444,180	0	22,260,732	22,267,039	1,444,180
1986	0	0	0	0	0	7,588,503	0	29,845,627	29,855,542	7,588,503
1987	0	0	0	0	0	1,720,360	0	31,565,987	31,575,902	1,720,360
1988	0	0	0	0	0	7,745,985	0	39,295,893	39,321,887	7,745,985
1989	0	26,024,043	26,024,043	26,024,043	26,024,043	1,507,184	0	38,682,457	39,321,887	0
1990	(17,983,733)	59,557,497	59,557,497	59,557,497	33,533,454	(5,882,201)	0	46,750,456	47,451,830	8,129,943
1991	0	88,821,570	88,821,570	88,821,570	29,264,073	10,662,372	0	50,939,474	51,641,863	4,190,033
1992	0	104,979,756	104,979,756	104,979,756	16,158,186	7,638,494	0	57,816,997	59,280,358	7,638,495
1993	0	170,513,804	170,513,804	170,513,804	65,534,048	5,015,623	0	62,820,931	64,295,981	5,015,623
1994	1,330,493	169,183,311	170,513,804	170,513,804	0	0	27,162,512	88,923,091	91,458,493	27,162,512
1995	38,122,660	131,060,651	170,513,804	170,513,804	0	0	54,374,861	116,073,498	118,670,842	27,212,349
1996	91,114,656	39,945,995	170,513,804	170,513,804	0	0	58,437,184	117,523,281	122,733,165	4,062,323
1997	39,945,995	0	170,513,804	170,513,804	0	725,437	73,357,529	132,883,449	138,378,947	15,645,782
1998	0	0	170,513,804	170,513,804	0	0	81,450,142	132,206,918	146,471,560	8,092,613
1999	0	0	166,818,763	170,513,804	0	2,657,836	65,084,033	117,909,240	132,763,287	(13,708,273)
2000	0	0	115,301,576	170,513,804	0	3,884,864	85,328,877	140,808,116	156,892,995	24,129,708
2001	0	110,475,844	225,777,420	280,989,648	110,475,844	(1,756,653)	93,782,972	146,874,503	163,590,437	6,697,442
2002	0	135,842,583	201,376,631	306,356,387	25,366,739	(9,644)	100,700,551	152,118,979	170,498,372	6,907,935
2003	0	147,655,090	147,655,090	318,168,894	11,812,507	1,985,905	159,213,137	212,103,539	230,996,863	60,498,491
2004	0	225,537,837	225,537,837	396,051,641	77,882,747	4,743,757	189,507,969	241,854,283	266,035,452	35,038,589
2005	0	345,107,153	365,286,463	535,800,267	139,748,626	3,849	205,181,255	257,334,363	281,712,587	15,677,135
2006	0	435,305,306	455,484,616	625,998,420	90,198,153	1,095,258	225,250,750	272,008,235	302,877,340	21,164,753
2007	0	621,877,040	642,056,350	812,570,154	186,571,734	426,585	250,541,327	297,248,360	328,594,502	25,717,162
2008	0	793,290,554	793,290,554	983,983,668	171,413,514	152,455	267,453,180	313,057,469	345,658,810	17,064,308
2009	0	843,216,477	843,216,477	1,033,909,591	49,925,923	881,120	326,593,175	371,173,059	405,679,925	60,021,115
2010	81,223,290	761,993,187	843,216,477	1,033,909,591	0	365,873	370,119,031	414,589,070	449,571,654	43,891,729
2011	173,048,495	589,082,981	736,569,023	1,033,909,591	0	5,364,859	405,443,200	454,310,673	490,260,682	40,689,028
2012	119,469,678	469,613,303	715,258,100	1,033,909,591	0	721,031	459,393,336	507,298,809	544,931,849	54,671,167
2013	32,001,353	437,611,950	707,716,389	1,033,909,591	0	2,406,184	517,296,605	565,076,186	605,241,302	60,309,453
2014	119,793,299	317,818,651	629,833,642	1,033,909,591	0	2,025,460	540,043,183	586,904,619	630,013,340	24,772,038
2015	94,256,795	223,561,856	492,401,217	1,033,909,591	0	14,886,386	583,882,974	641,903,392	688,739,517	58,726,177
2016	110,196,953	113,364,903	402,203,064	1,033,909,591	0	1,030,093	645,063,638	703,110,365	750,950,274	62,210,757
Prior Yr Adj.	38,024,754	0	0	0		6,032,620	0	0	0	
HISTORICAL SUBTOTAL	920,544,688	113,364,903	402,203,064	1,033,909,591	1,033,909,591	105,886,634	645,063,638	703,110,365	750,950,274	750,950,274
2017	71,040,177	42,324,726	215,631,330	1,033,909,591	0	3,465,089	725,861,200	798,277,424	835,212,925	84,262,651
2018	42,324,726	0	49,925,923	1,033,909,591	0	6,680,380	813,202,335	890,752,152	929,234,440	94,021,516
2019	0	0	0	1,033,909,591	0	19,905,838	845,620,381	935,155,742	981,558,324	52,323,883
2020	0	0	0	1,033,909,591	0	1,105,145	887,640,571	974,684,955	1,024,683,659	43,125,335
2021	0	0	0	1,033,909,591	0	13,565,133	955,251,128	1,037,416,374	1,105,859,349	81,175,690
2022	0	0	0	1,033,909,591	0	31,607,297	944,760,758	1,050,110,964	1,126,976,276	21,116,927
2023	0	0	0	1,033,909,591	0	11,194,509	945,026,854	1,045,616,837	1,138,436,881	11,460,604
2024	0	0	0	1,033,909,591	0	45,186,983	929,362,332	1,061,249,784	1,167,959,342	29,522,462
2025	0	0	0	1,033,909,591	0	34,128,543	901,846,788	1,067,442,714	1,174,572,340	6,612,998
2026	0	0	0	1,033,909,591	0	55,829,119	851,310,697	1,059,922,160	1,179,865,369	5,293,029
2027	0	0	0	1,033,909,591	0	73,935,766	782,135,710	1,058,561,644	1,184,626,149	4,760,780
2028	0	0	0	1,033,909,591	0	35,833,240	755,441,457	1,060,042,964	1,193,765,135	9,138,987
2029	0	0	0	1,033,909,591	0	68,240,193	696,604,726	1,053,412,246	1,203,168,597	9,403,461
2030	0	0	0	1,033,909,591	0	29,095,385	699,903,624	1,072,841,693	1,235,562,880	32,394,284
2031	0	0	0	1,033,909,591	0	64,736,511	640,009,356	1,067,499,537	1,240,405,123	4,842,243
2032	0	0	0	1,033,909,591	0	99,565,361	549,671,944	1,041,218,491	1,249,633,072	9,227,949
2033	0	0	0	1,033,909,591	0	82,768,961	492,441,720	1,043,110,664	1,275,171,810	25,538,738
2034	0	0	0	1,033,909,591	0	164,919,208	342,917,444	1,048,680,944	1,290,566,741	15,394,932
2035	0	0	0	1,033,909,591	0	163,645,486	220,341,050	1,074,178,555	1,331,635,832	41,069,091
2036	0	0	0	1,033,909,591	0	129,775,429	97,437,534	1,072,942,430	1,338,507,745	6,871,913
2037	0	0	0	1,033,909,591	0	105,174,001	11,100,735	1,080,961,320	1,357,344,948	18,837,203
2038	0	0	0	1,033,909,591	0	13,967,356	11,094,328	1,085,614,938	1,371,305,897	13,960,949
2039	0	0	0	1,033,909,591	0	27,662,868	318,668	1,094,129,068	1,388,193,105	16,887,208
2040	0	0	0	1,033,909,591	0	13,208,388	0	1,094,855,235	1,401,082,825	12,889,720
2041	0	0	0	1,033,909,591	0	13,967,030	0	1,072,722,695	1,415,049,855	13,967,030
2042	0	0	0	1,033,909,591	0	20,465,280	0	1,058,566,049	1,435,515,135	20,465,280
2043	0	0	0	1,033,909,591	0	8,131,450	0	1,047,108,954	1,443,646,586	8,131,450
2044	0	0	0	1,033,909,591	0	10,487,707	0	1,006,485,720	1,454,134,293	10,487,707
2045	0	0	0	1,033,909,591	0	18,080,593	0	940,546,757	1,472,214,886	18,080,593
2046	0	0	0	1,033,909,591	0	13,667,707	0	943,162,118	1,485,882,593	13,667,707
2047	0	0	0	1,033,909,591	0	3,744,817	0	919,055,490	1,489,627,410	3,744,817
2048	0	0	0	1,033,909,591	0	85,722,197	0	979,448,822	1,575,349,607	85,722,197
2049	0	0	0	1,033,909,591	0	10,918,660	0	953,633,382	1,586,268,267	10,918,660
2050	0	0	0	1,033,909,591	0	19,483,292	0	942,361,355	1,605,751,559	19,483,292
2051	0	0	0	1,033,909,591	0	18,849,942	0	938,922,834	1,624,601,501	18,849,942
2052	0	0	0	1,033,909,591	0	15,235,468	0	932,724,882	1,639,836,969	15,235,468
2053	0	0	0	1,033,909,591	0	32,071,055	0	897,997,449	1,671,908,024	32,071,055

(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Investment Additions					Aid to Irrigation					
Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments	Fiscal Year
1,277,610	5,466,295	6,150,328	6,743,905	6,743,905	0	5,656,000	5,656,000	5,656,000	5,656,000	1950
483,030	13,869,155	14,248,473	15,629,795	8,885,890	0	5,656,000	5,656,000	5,656,000	0	1951
717,424	28,392,029	28,084,373	30,870,093	15,240,298	0	22,145,000	22,145,000	22,145,000	16,489,000	1952
716,212	51,354,530	49,581,086	54,548,806	23,678,713	0	22,597,000	22,597,000	22,597,000	452,000	1953
(708,689)	111,025,578	103,106,213	113,511,165	58,962,359	0	23,697,000	23,697,000	23,697,000	1,100,000	1954
(549,934)	200,033,933	183,009,725	201,969,586	88,458,421	0	25,210,000	25,210,000	25,210,000	1,513,000	1955
(2,129,412)	340,225,713	307,715,303	340,031,954	138,062,368	0	47,606,000	47,606,000	47,606,000	22,396,000	1956
(4,366,813)	358,305,378	320,101,510	353,744,806	13,712,852	0	85,267,000	85,267,000	85,267,000	37,661,000	1957
(777,257)	396,580,114	353,966,537	391,242,285	37,497,479	0	91,816,000	91,816,000	91,816,000	6,549,000	1958
(4,264,492)	397,907,346	353,966,537	388,305,025	(2,937,260)	0	96,352,000	96,352,000	96,352,000	4,536,000	1959
(3,909,180)	421,497,332	371,872,639	407,985,831	19,680,806	0	162,857,000	162,857,000	162,857,000	66,505,000	1960
(2,989,339)	513,901,023	453,212,211	497,400,183	89,414,352	0	162,857,000	162,857,000	162,857,000	0	1961
(4,454,359)	577,341,556	505,936,614	556,386,357	58,986,174	0	169,921,000	169,921,000	169,921,000	7,064,000	1962
10,343,496	678,689,573	604,975,064	668,077,870	111,691,513	0	204,433,000	204,433,000	204,433,000	34,512,000	1963
263,865	697,356,149	621,656,448	687,008,311	18,930,441	0	222,897,000	222,897,000	222,897,000	18,464,000	1964
1,100,618	770,341,109	686,916,715	761,093,889	74,085,578	0	222,897,000	222,897,000	222,897,000	0	1965
8,858,802	827,381,359	744,753,416	826,992,941	65,899,052	0	228,396,000	228,396,000	228,396,000	5,499,000	1966
8,346,290	861,389,400	780,745,066	869,347,272	42,354,331	0	244,233,000	244,233,000	244,233,000	15,837,000	1967
14,370,555	859,949,304	791,955,925	882,277,731	12,930,459	0	245,812,000	245,812,000	245,812,000	1,579,000	1968
17,359,294	850,779,695	798,882,137	890,467,416	8,189,685	0	245,812,000	245,812,000	245,812,000	0	1969
23,235,301	828,706,124	800,377,952	891,629,146	1,161,730	0	245,812,000	245,812,000	245,812,000	0	1970
27,996,026	814,673,159	812,463,096	905,592,207	13,963,061	0	266,421,000	266,421,000	266,421,000	20,609,000	1971
34,494,476	806,773,653	835,870,478	932,187,177	26,594,970	0	266,421,000	266,421,000	266,421,000	0	1972
23,016,323	784,719,174	836,776,731	933,149,021	961,844	0	266,421,000	266,421,000	266,421,000	0	1973
24,810,265	791,472,020	864,431,860	964,712,132	31,563,111	0	266,421,000	266,421,000	266,421,000	0	1974
34,935,120	760,073,532	867,524,803	968,248,764	3,536,632	0	266,421,000	266,421,000	266,421,000	0	1975
89,639,261	673,794,722	870,468,603	971,609,215	3,360,451	0	266,421,000	266,421,000	266,421,000	0	1976
47,368,947	629,541,185	873,199,237	974,724,625	3,115,410	0	266,421,000	266,421,000	266,421,000	0	1977
38,594,744	609,001,875	889,077,687	992,780,059	18,055,434	0	268,717,000	268,717,000	268,717,000	2,296,000	1978
67,337,905	543,241,574	890,438,833	994,357,663	1,577,604	0	268,717,000	268,717,000	268,717,000	0	1979
37,899,599	540,706,488	921,480,652	1,029,722,176	35,364,513	0	268,717,000	268,717,000	268,717,000	0	1980
26,718,977	523,171,388	929,260,885	1,038,906,053	9,183,877	0	268,717,000	268,717,000	268,717,000	0	1981
23,660,952	512,796,480	940,939,657	1,052,192,097	13,286,044	0	294,408,000	294,408,000	294,408,000	25,691,000	1982
41,971,930	427,839,900	941,489,741	1,009,207,447	(42,984,650)	0	291,726,000	291,726,000	291,726,000	(2,682,000)	1983
13,309,114	434,990,358	960,256,116	1,029,667,019	20,459,572	0	303,414,000	303,414,000	303,414,000	11,688,000	1984
54,975,446	415,301,900	993,162,136	1,064,954,007	35,286,988	0	345,885,000	345,885,000	345,885,000	42,471,000	1985
29,670,720	475,238,987	1,076,263,419	1,154,561,814	89,607,807	0	347,083,000	347,083,000	347,083,000	1,198,000	1986
42,094,904	441,157,642	1,083,778,800	1,162,575,373	8,013,559	0	413,512,000	413,512,000	413,512,000	66,429,000	1987
18,179,594	594,035,727	1,253,465,664	1,333,633,052	171,057,679	0	421,882,000	421,882,000	421,882,000	8,370,000	1988
0	665,352,056	1,332,829,658	1,404,949,381	71,316,329	0	422,928,000	422,928,000	422,928,000	1,046,000	1989
0	758,202,091	1,520,114,527	1,610,753,224	205,803,843	0	517,857,528	515,356,120	520,122,404	97,194,404	1990
0	809,929,776	1,553,340,310	1,644,497,178	33,743,954	0	517,857,528	515,873,144	520,122,404	0	1991
(664,304)	896,362,306	1,637,244,513	1,728,000,526	83,503,348	0	522,851,535	521,116,109	525,116,411	4,994,007	1992
0	976,720,172	1,716,289,434	1,808,358,392	80,357,866	0	601,074,382	599,338,956	603,339,258	78,222,847	1993
0	1,017,978,720	1,772,395,919	1,849,616,940	41,258,548	0	587,387,129	585,651,703	589,652,005	(13,687,253)	1994
0	1,165,775,205	1,905,811,413	1,997,413,425	147,796,485	0	586,599,269	584,863,843	588,864,145	(787,860)	1995
72,071	1,178,116,577	1,933,932,431	2,009,826,868	12,413,443	0	683,128,657	683,196,530	685,393,533	96,529,388	1996
50,938,033	1,152,675,775	1,960,058,965	2,035,324,099	25,497,231	0	722,631,435	729,186,169	724,896,311	39,502,778	1997
69,140,952	1,090,540,953	1,971,925,819	2,042,330,229	7,006,130	0	731,533,304	769,657,304	733,798,180	8,901,869	1998
80,363,313	1,039,253,916	2,001,127,241	2,071,406,505	29,076,276	0	762,590,785	762,590,785	764,855,661	31,057,481	1999
90,257,450	977,659,852	2,051,640,351	2,100,069,891	28,663,386	0	763,766,407	725,604,407	766,031,283	1,175,622	2000
3,080,714	999,137,625	2,069,695,521	2,126,396,362	26,326,471	0	775,180,220	721,665,361	777,445,096	11,413,813	2001
128,520	1,020,798,995	2,083,154,122	2,148,186,252	21,789,890	4,398,400	761,779,035	715,173,528	768,442,311	(9,002,785)	2002
(1,853,868)	1,028,830,852	2,067,450,306	2,154,364,241	6,177,989	0	760,440,035	721,303,935	767,103,311	(1,339,000)	2003
44,898	1,058,742,560	2,044,520,854	2,184,320,847	29,956,606	0	720,198,359	711,121,962	726,861,635	(40,241,676)	2004
159,039	1,128,976,055	2,051,089,385	2,270,894,690	86,573,843	0	710,923,106	721,353,709	717,586,382	(9,275,253)	2005
170,955	1,197,553,625	1,995,102,283	2,337,875,230	66,980,540	0	724,027,760	725,585,960	730,691,036	13,104,654	2006
105,320	1,210,136,333	1,995,016,710	2,350,563,258	12,688,028	0	724,577,962	719,788,962	731,241,238	550,202	2007
210,584	1,266,283,457	2,017,408,419	2,406,920,966	56,357,708	0	717,469,664	721,029,665	724,132,940	(7,108,298)	2008
(382,067)	1,299,145,108	2,049,988,574	2,439,400,550	32,479,584	0	722,791,093	719,882,093	729,454,369	5,321,429	2009
275,343	1,346,585,228	2,083,958,249	2,487,116,013	47,715,463	0	719,286,873	719,286,873	725,950,149	(3,504,220)	2010
305,823	1,351,527,444	2,021,795,673	2,492,364,052	5,248,039	0	722,886,703	722,886,701	729,549,979	3,599,830	2011
13,723,313	1,367,735,146	2,014,070,542	2,533,285,394	40,921,342	0	723,141,278	723,141,276	729,804,554	254,575	2012
(6,687,416)	1,427,198,001	1,975,907,124	2,593,262,411	59,977,017	69,910,914	662,688,921	662,688,636	739,263,111	9,458,557	2013
14,649,125	1,441,292,153	2,001,478,986	2,622,005,688	28,743,277	0	658,229,252	658,229,252	734,803,442	(4,459,669)	2014
52,025,038	1,409,596,286	1,956,552,109	2,642,334,859	20,329,171	0	658,229,252	658,241,388	734,803,442	0	2015
53,915,052	1,375,107,474	1,913,492,762	2,661,761,099	19,426,240	0	652,576,372	652,576,372	729,150,562	(5,652,880)	2016
127,078,413	0	0	0		2,264,876	0	0	0		*Prior Yr Adj.*
1,286,653,626	1,375,107,474	1,913,492,762	2,661,761,099	2,661,761,099	76,574,190	652,576,372	652,576,372	729,150,562	729,150,562	*HISTORICAL SUBTOTAL*
15,370,510	1,517,712,164	2,034,902,129	2,819,736,299	157,975,200	0	652,576,372	652,576,372	729,150,562	0	2017
8,019,655	1,565,997,765	2,079,358,781	2,876,041,555	56,305,256	0	652,576,372	652,576,372	729,150,562	0	2018
45,440,130	1,584,231,731	2,135,398,321	2,939,715,651	63,674,096	512,154	652,064,218	652,064,218	729,150,562	0	2019
16,891,719	1,608,284,804	2,174,060,540	2,980,660,443	40,944,792	45,105,239	606,958,979	606,958,979	729,150,562	0	2020
43,376,418	1,597,651,438	2,193,844,596	3,013,403,495	32,743,052	88,199	606,870,780	606,870,780	729,150,562	0	2021
65,290,153	1,532,361,285	2,169,466,627	3,013,403,495	0	12,236	606,858,544	606,858,544	729,150,562	0	2022
91,445,249	1,440,916,036	2,167,482,343	3,013,403,495	0	22,862	606,835,682	606,835,682	729,150,562	0	2023
64,952,035	1,375,964,001	2,138,629,845	3,013,403,495	0	6,634	606,829,048	606,829,048	729,150,562	0	2024
81,626,150	1,294,337,851	2,134,206,984	3,013,403,495	0	29	606,829,019	606,829,019	729,150,562	0	2025
68,504,053	1,225,833,798	2,129,786,044	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2026
58,123,772	1,167,710,026	2,125,414,751	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2027
103,695,007	1,064,015,019	2,107,714,021	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2028
78,441,554	985,573,465	2,104,328,869	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2029
124,827,427	860,746,038	2,071,038,986	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2030
95,486,190	765,259,848	2,063,258,753	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2031
67,258,159	698,001,689	2,051,579,981	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2032
90,158,178	607,843,511	2,051,029,897	3,013,403,495	0	0	606,829,019	606,829,019	729,150,562	0	2033
13,494,877	594,348,634	2,032,263,522	3,013,403,495	0	36,000	606,793,019	606,793,019	729,150,562	0	2034
20,246,591	574,102,043	1,999,357,502	3,013,403,495	0	375,923	606,417,096	606,417,096	729,150,562	0	2035
59,131,037	514,971,006	1,916,256,219	3,013,403,495	0	0	675,785,203	675,785,203	798,518,669	69,368,107	2036
86,053,343	428,917,663	1,908,740,838	3,013,403,495	0	3,071,420	742,081,890	742,081,890	867,886,776	69,368,107	2037
128,214,237	300,703,426	1,739,053,974	3,013,403,495	0	57,502,639	753,947,358	753,947,358	937,254,883	69,368,107	2038
176,051,647	124,651,779	1,660,829,459	3,013,403,495	0	0	823,315,465	823,315,465	1,006,622,990	69,368,107	2039
124,651,779	0	1,475,348,579	3,013,403,495	0	68,150,509	824,533,063	892,655,651	1,075,991,097	69,368,107	2040
0	0	1,444,238,006	3,013,403,495	0	195,112,918	698,788,252	962,023,758	1,145,359,204	69,368,107	2041
0	0	1,378,531,933	3,013,403,495	0	188,711,706	579,444,654	1,031,310,361	1,214,727,311	69,368,107	2042
0	0	1,308,251,568	3,013,403,495	0	202,296,683	446,516,078	1,100,140,246	1,284,095,418	69,368,107	2043
0	0	1,237,847,602	3,013,403,495	0	200,014,875	315,869,310	1,168,978,870	1,353,463,525	69,368,107	2044
0	0	1,136,398,759	3,013,403,495	0	192,485,937	192,751,480	991,371,127	1,422,831,632	69,368,107	2045
0	0	1,112,384,191	3,013,403,495	0	196,973,266	65,146,321	934,612,482	1,492,199,739	69,368,107	2046
0	0	1,096,041,806	3,013,403,495	0	134,514,428	0	1,003,980,589	1,561,567,846	69,368,107	2047
0	0	1,080,905,621	3,013,403,495	0	69,368,107	0	1,021,880,654	1,630,935,953	69,368,107	2048
0	0	1,056,831,564	3,013,403,495	0	69,368,107	0	1,091,248,761	1,700,304,060	69,368,107	2049
0	0	1,021,062,333	3,013,403,495	0	69,368,107	0	1,160,616,868	1,769,672,167	69,368,107	2050
0	0	991,568,520	3,013,403,495	0	69,368,107	0	1,195,167,161	1,839,040,274	69,368,107	2051
0	0	966,187,715	3,013,403,495	0	69,368,107	0	1,264,432,625	1,908,408,381	69,368,107	2052
0	0	949,436,877	3,013,403,495	0	69,368,107	0	1,331,517,458	1,977,776,488	69,368,107	2053

		EXPENSES									Capitalized Deficits					Replacements					Investment Additions					Aid to Irrigation					
Fiscal Year	Total Revenue	Operations & Maintenance Expense	Purchased Power Expense	Transmission Service Expense*	Other Expense	Integrated Projects	Interest Expense	Total Expenses	Prior Year Adj.	Revenue After Annual Expenses	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investment	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments	Principal Payment	Unpaid Balance	Allowable Unpaid Balance	Cumulative Balance	Incremental Investments	Fiscal Year
2054	510,048,788	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,329,600	0	0	0	1,033,909,591	0	6,377,294	0	883,492,883	1,678,285,318	6,377,294	0	0	922,839,595	3,013,403,495	0	69,368,107	0	1,325,465,841	2,047,144,595	69,368,107	2054
2055	510,008,036	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,288,848	0	0	0	1,033,909,591	0	7,718,189	0	878,791,821	1,686,003,507	7,718,189	0	0	837,401,305	3,013,403,495	0	69,368,107	0	1,394,833,948	2,116,512,702	69,368,107	2055
2056	509,946,285	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,227,097	0	0	0	1,033,909,591	0	9,302,504	0	860,560,900	1,695,306,011	9,302,504	0	0	771,871,873	3,013,403,495	0	69,368,107	0	1,462,978,771	2,185,880,809	69,368,107	2056
2057	509,905,533	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,186,345	0	0	0	1,033,909,591	0	11,126,328	0	854,041,339	1,706,432,339	11,126,328	0	0	755,962,649	3,013,403,495	0	69,368,107	0	1,532,346,878	2,255,248,916	69,368,107	2057
2058	509,854,282	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,135,094	0	0	0	1,033,909,591	0	10,631,106	0	848,449,981	1,717,063,444	10,631,106	0	0	717,882,283	3,013,403,495	0	69,368,107	0	1,601,444,387	2,324,617,023	69,368,107	2058
2059	509,831,831	225,003,536	0	90,715,652	0	0	0	315,719,188	0	194,112,643	0	0	0	1,033,909,591	0	9,270,305	0	810,046,475	1,726,333,749	9,270,305	0	0	665,539,821	3,013,403,495	0	69,368,107	0	1,669,041,650	2,393,985,130	69,368,107	2059
2060	492,189,890	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,470,702	0	0	0	1,033,909,591	0	9,586,827	0	786,818,600	1,735,920,576	9,586,827	0	0	612,961,008	3,013,403,495	0	69,368,107	0	1,738,409,757	2,463,353,237	69,368,107	2060
2061	492,146,199	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,427,011	0	0	0	1,033,909,591	0	10,545,714	0	764,157,526	1,746,466,291	10,545,714	0	0	587,563,865	3,013,403,495	0	69,368,107	0	1,807,629,579	2,532,721,344	69,368,107	2061
2062	492,097,025	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,377,837	0	0	0	1,033,909,591	0	11,841,995	0	750,071,514	1,758,308,286	11,841,995	0	0	544,138,874	3,013,403,495	0	69,368,107	0	1,876,997,686	2,602,089,451	69,368,107	2062
2063	492,047,822	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,328,634	0	0	0	1,033,909,591	0	21,358,567	0	714,941,317	1,779,666,853	21,358,567	0	0	482,998,112	3,013,403,495	0	69,368,107	0	1,942,306,996	2,671,457,558	69,368,107	2063
2064	491,998,624	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,279,436	0	0	0	1,033,909,591	0	8,446,924	0	706,150,335	1,788,113,777	8,446,924	0	0	443,024,277	3,013,403,495	0	69,368,107	0	2,011,675,103	2,740,825,665	69,368,107	2064
2065	491,959,927	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,240,739	0	0	0	1,033,909,591	0	7,696,276	0	682,887,864	1,795,810,053	7,696,276	0	0	390,019,789	3,013,403,495	0	69,368,107	0	2,081,043,210	2,810,193,772	69,368,107	2065
2066	491,939,006	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,219,818	0	0	0	1,033,909,591	0	10,653,730	0	638,931,153	1,806,463,783	10,653,730	0	0	351,642,396	3,013,403,495	0	69,368,107	0	2,150,411,317	2,879,561,879	69,368,107	2066
2067	491,889,808	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,170,620	0	0	0	1,033,909,591	0	15,792,821	0	639,142,537	1,822,256,604	15,792,821	0	0	193,667,196	3,013,403,495	0	69,368,107	0	2,219,779,424	2,948,929,986	69,368,107	2067
2068	491,851,135	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,131,947	0	0	0	1,033,909,591	0	13,847,316	0	635,967,300	1,836,103,920	13,847,316	0	0	137,361,940	3,013,403,495	0	69,368,107	0	2,289,147,531	3,018,298,093	69,368,107	2068
2069	491,801,937	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,082,749	0	0	0	1,033,909,591	0	8,651,934	0	631,616,340	1,844,755,855	8,651,934	0	0	73,687,844	3,013,403,495	0	69,368,107	0	2,358,515,638	3,087,666,200	69,368,107	2069
2070	491,752,740	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,033,552	0	0	0	1,033,909,591	0	10,489,847	0	626,441,797	1,855,245,701	10,489,847	0	0	32,743,052	3,013,403,495	0	69,368,107	0	2,427,883,745	3,157,034,307	69,368,107	2070
2071	491,731,819	225,003,536	0	90,715,652	0	0	0	315,719,188	0	176,012,631	0	0	0	1,033,909,591	0	14,030,186	0	624,949,414	1,869,275,887	14,030,186	0	0	0	3,013,403,495	0	69,368,107	0	2,497,251,852	3,226,402,414	69,368,107	2071
2072	491,682,616	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,963,428	0	0	0	1,033,909,591	0	11,985,001	0	624,949,414	1,881,260,887	11,985,001	0	0	0	3,013,403,495	0	69,368,107	0	2,566,619,959	3,295,770,521	69,368,107	2072
2073	491,643,918	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,924,730	0	0	0	1,033,909,591	0	8,807,341	0	624,949,414	1,890,068,229	8,807,341	0	0	0	3,013,403,495	0	69,368,107	0	2,635,988,066	3,365,138,628	69,368,107	2073
2074	491,594,720	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,875,532	0	0	0	1,033,909,591	0	36,773,916	0	624,949,414	1,926,842,145	36,773,916	0	0	0	3,013,403,495	0	69,368,107	0	2,705,356,173	3,434,506,735	69,368,107	2074
2075	491,556,047	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,836,859	0	0	0	1,033,909,591	0	11,631,899	0	624,949,414	1,938,474,044	11,631,899	0	0	0	3,013,403,495	0	69,368,107	0	2,774,724,280	3,503,874,842	69,368,107	2075
2076	491,496,349	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,777,161	0	0	0	1,033,909,591	0	3,126,479	0	624,949,414	1,941,600,523	3,126,479	0	0	0	3,013,403,495	0	69,368,107	0	2,844,092,387	3,573,242,949	69,368,107	2076
2077	491,457,651	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,738,463	0	0	0	1,033,909,591	0	85,768,535	0	624,949,414	2,027,369,058	85,768,535	0	0	0	3,013,403,495	0	69,368,107	0	2,913,460,494	3,642,611,056	69,368,107	2077
2078	491,408,454	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,689,266	0	0	0	1,033,909,591	0	11,185,832	0	624,949,414	2,038,554,890	11,185,832	0	0	0	3,013,403,495	0	69,368,107	0	2,982,828,601	3,711,979,163	69,368,107	2078
2079	491,387,533	225,003,536	0	90,715,652	0	0	0	315,719,188	0	175,668,345	0	0	0	1,033,909,591	0	18,061,895	0	624,949,414	2,056,616,785	18,061,895	0	0	0	3,013,403,495	0	69,368,107	0	3,052,196,708	3,781,347,270	69,368,107	2079
2080	488,080,459	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,361,271	0	0	0	1,033,909,591	0	35,008,898	0	624,949,414	2,091,625,683	35,008,898	0	0	0	3,013,403,495	0	69,368,107	0	3,121,564,815	3,850,715,377	69,368,107	2080
2081	488,039,623	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,320,435	0	0	0	1,033,909,591	0	14,502,045	0	624,949,414	2,106,127,729	14,502,045	0	0	0	3,013,403,495	0	69,368,107	0	3,190,932,922	3,920,083,484	69,368,107	2081
2082	487,988,286	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,269,098	0	0	0	1,033,909,591	0	58,577,549	0	624,949,414	2,164,705,278	58,577,549	0	0	0	3,013,403,495	0	69,368,107	0	3,260,301,029	3,989,451,591	69,368,107	2082
2083	487,936,950	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,217,762	0	0	0	1,033,909,591	0	6,017,201	0	624,949,414	2,170,722,479	6,017,201	0	0	0	3,013,403,495	0	69,368,107	0	3,329,669,136	4,058,819,698	69,368,107	2083
2084	487,885,613	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,166,425	0	0	0	1,033,909,591	0	16,329,201	0	624,949,414	2,187,051,680	16,329,201	0	0	0	3,013,403,495	0	69,368,107	0	3,399,037,243	4,128,187,805	69,368,107	2084
2085	487,844,777	225,003,536	0	90,715,652	0	0	0	315,719,188	0	172,125,589	0	0	0	1,033,909,591	0	11,693,538	0	624,949,414	2,198,745,219	11,693,538	0	0	0	3,013,403,495	0	69,368,107	0	3,468,405,350	4,197,555,912	69,368,107	2085
2086	487,684,877	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,965,689	0	0	0	1,033,909,591	0	10,799,279	0	624,949,414	2,209,544,497	10,799,279	0	0	0	3,013,403,495	0	69,368,107	0	3,537,773,457	4,266,924,019	69,368,107	2086
2087	487,496,177	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,776,989	0	0	0	1,033,909,591	0	12,059,820	0	624,949,414	2,221,604,317	12,059,820	0	0	0	3,013,403,495	0	69,368,107	0	3,607,141,564	4,336,292,126	69,368,107	2087
2088	487,307,477	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,588,289	0	0	0	1,033,909,591	0	10,921,885	0	624,949,414	2,232,526,202	10,921,885	0	0	0	3,013,403,495	0	69,368,107	0	3,676,509,671	4,405,660,233	69,368,107	2088
2089	487,129,277	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,410,089	0	0	0	1,033,909,591	0	13,040,276	0	624,949,414	2,245,566,478	13,040,276	0	0	0	3,013,403,495	0	69,368,107	0	3,745,877,778	4,475,028,340	69,368,107	2089
2090	486,940,577	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,221,389	0	0	0	1,033,909,591	0	10,950,132	0	624,949,414	2,256,516,610	10,950,132	0	0	0	3,013,403,495	0	69,368,107	0	3,815,245,885	4,544,396,447	69,368,107	2090
2091	486,751,877	225,003,536	0	90,715,652	0	0	0	315,719,188	0	171,032,689	0	0	0	1,033,909,591	0	13,258,975	0	624,949,414	2,269,775,585	13,258,975	0	0	0	3,013,403,495	0	69,368,107	0	3,884,613,992	4,613,764,554	69,368,107	2091
2092	486,563,177	225,003,536	0	90,715,652	0	0	0	315,719,188	0	170,843,989	0	0	0	1,033,909,591	0	13,781,383	0	624,949,414	2,283,556,968	13,781,383	0	0	0	3,013,403,495	0	69,368,107	0	3,953,982,099	4,683,132,661	69,368,107	2092
2093	486,413,777	225,003,536	0	90,715,652	0	0	0	315,719,188	0	170,694,589	0	0	0	1,033,909,591	0	11,900,209	0	624,949,414	2,295,457,177	11,900,209	0	0	0	3,013,403,495	0	69,368,107	0	4,023,350,206	4,752,500,768	69,368,107	2093
2094	486,225,077	225,003,536	0	90,715,652	0	0	0	315,719,188	0	170,505,889	0	0	0	1,033,909,591	0	8,895,243	0	624,949,414	2,304,352,420	8,895,243	0	0	0	3,013,403,495	0	69,368,107	0	4,092,718,313	4,821,868,875	69,368,107	2094
2095	486,036,377	225,003,536	0	90,715,652	0	0	0	315,719,188	0	170,317,189	0	0	0	1,033,909,591	0	12,423,783	0	624,949,414	2,316,776,203	12,423,783	0	0	0	3,013,403,495	0	69,368,107	0	4,162,086,420	4,891,236,982	69,368,107	2095
2096	485,847,677	225,003,536	0	90,715,652	0	0	0	315,719,188	0	170,128,489	0	0	0	1,033,909,591	0	12,441,365	0	624,949,414	2,329,217,568	12,441,365	0	0	0	3,013,403,495	0	69,368,107	0	4,231,454,527	4,960,605,089	69,368,107	2096
2097	485,669,477	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,950,289	0	0	0	1,033,909,591	0	13,984,174	0	624,949,414	2,343,201,741	13,984,174	0	0	0	3,013,403,495	0	69,368,107	0	4,300,822,634	5,029,973,196	69,368,107	2097
2098	485,480,771	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,761,583	0	0	0	1,033,909,591	0	8,882,857	0	624,949,414	2,352,084,598	8,882,857	0	0	0	3,013,403,495	0	69,368,107	0	4,370,190,741	5,099,341,303	69,368,107	2098
2099	485,709,295	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,990,107	0	0	0	1,033,909,591	0	13,110,237	0	624,949,414	2,365,194,835	13,110,237	0	0	0	3,013,403,495	0	69,368,107	0	4,439,558,848	5,168,709,410	69,368,107	2099
2100	485,522,758	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,803,570	0	0	0	1,033,909,591	0	15,078,502	0	624,949,414	2,380,273,338	15,078,502	0	0	0	3,013,403,495	0	69,368,107	0	4,508,926,955	5,238,077,517	69,368,107	2100
2101	485,346,697	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,627,509	0	0	0	1,033,909,591	0	9,054,052	0	624,949,414	2,389,327,390	9,054,052	0	0	0	3,013,403,495	0	69,368,107	0	4,578,295,062	5,307,445,624	69,368,107	2101
2102	485,160,136	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,440,948	0	0	0	1,033,909,591	0	10,110,653	0	624,949,414	2,399,438,043	10,110,653	0	0	0	3,013,403,495	0	69,368,107	0	4,647,663,169	5,376,813,731	69,368,107	2102
2103	484,973,575	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,254,387	0	0	0	1,033,909,591	0	16,589,072	0	624,949,414	2,416,027,115	16,589,072	0	0	0	3,013,403,495	0	69,368,107	0	4,717,031,276	5,446,181,838	69,368,107	2103
2104	484,787,038	225,003,536	0	90,715,652	0	0	0	315,719,188	0	169,067,850	0	0	0	1,033,909,591	0	14,846,532	0	624,949,414	2,430,873,647	14,846,532	0	0	0	3,013,403,495	0	69,368,107	0	4,786,399,383	5,515,549,945	69,368,107	2104
2105	484,639,230	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,920,042	0	0	0	1,033,909,591	0	4,388,854	0	624,949,414	2,435,262,501	4,388,854	0	0	0	3,013,403,495	0	69,368,107	0	4,855,767,490	5,584,918,052	69,368,107	2105
2106	484,480,946	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,761,758	0	0	0	1,033,909,591	0	86,448,028	0	624,949,414	2,521,710,529	86,448,028	0	0	0	3,013,403,495	0	69,368,107	0	4,925,135,597	5,654,286,159	69,368,107	2106
2107	484,322,662	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,603,474	0	0	0	1,033,909,591	0	18,096,876	0	624,949,414	2,539,807,405	18,096,876	0	0	0	3,013,403,495	0	69,368,107	0	4,994,503,704	5,723,654,266	69,368,107	2107
2108	484,136,101	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,416,913	0	0	0	1,033,909,591	0	19,317,321	0	624,949,414	2,559,124,726	19,317,321	0	0	0	3,013,403,495	0	69,368,107	0	5,063,871,811	5,793,022,373	69,368,107	2108
2109	483,960,040	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,240,852	0	0	0	1,033,909,591	0	19,437,483	0	624,949,414	2,578,562,209	19,437,483	0	0	0	3,013,403,495	0	69,368,107	0	5,133,239,918	5,862,390,480	69,368,107	2109
2110	483,801,756	225,003,536	0	90,715,652	0	0	0	315,719,188	0	168,082,568	0	0	0	1,033,909,591	0	14,036,620	0	624,949,414	2,592,598,829	14,036,620	0	0	0	3,013,403,495	0	69,368,107	0	5,202,608,025	5,931,758,587	69,368,107	2110
2111	483,615,195	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,896,007	0	0	0	1,033,909,591	0	29,129,666	0	624,949,414	2,621,728,495	29,129,666	0	0	0	3,013,403,495	0	69,368,107	0	5,271,976,132	6,001,126,694	69,368,107	2111
2112	483,456,911	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,737,723	0	0	0	1,033,909,591	0	6,138,026	0	624,949,414	2,627,866,522	6,138,026	0	0	0	3,013,403,495	0	69,368,107	0	5,341,344,239	6,070,494,801	69,368,107	2112
2113	483,309,103	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,589,915	0	0	0	1,033,909,591	0	8,203,203	0	624,949,414	2,636,069,724	8,203,203	0	0	0	3,013,403,495	0	69,368,107	0	5,410,712,346	6,139,862,908	69,368,107	2113
2114	483,122,591	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,403,403	0	0	0	1,033,909,591	0	4,066,007	0	624,949,414	2,640,135,732	4,066,007	0	0	0	3,013,403,495	0	69,368,107	0	5,480,080,453	6,209,231,015	69,368,107	2114
2115	482,936,054	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,216,866	0	0	0	1,033,909,591	0	7,326,201	0	624,949,414	2,647,461,933	7,326,201	0	0	0	3,013,403,495	0	69,368,107	0	5,549,448,560	6,278,599,122	69,368,107	2115
2116	482,936,078	225,003,536	0	90,715,652	0	0	0	315,719,188	0	167,216,890	0	0	0	1,033,909,591	0	9,542,397	0	624,949,414	2,657,004,330	9,542,397	0	0	0	3,013,403,495	0	69,368,104	0	5,618,816,664	6,347,967,226	69,368,104	2116
FUTURE YR SUBTOTAL	50,384,178,032	22,604,371,574	183,166,360	9,084,098,096	0	0	1,540,816,235	33,412,452,265	0	16,971,725,767	113,364,903					2,551,117,694					1,726,749,870					6,271,393,036					*FUTURE YR SUBTOTAL*
STUDY TOTAL	63,760,846,274	27,786,314,217	3,811,800,230	9,380,817,462	0	0	4,458,545,201	45,437,477,110	4,106,150	18,327,475,314	1,033,909,591					2,657,004,328					3,013,403,496					6,347,967,226					*STUDY TOTAL*

*Purchased transmission services were included in Column

EXHIBIT 2 -
Proposed Rate Schedule P-SED-F13

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION
MONTANA, NORTH DAKOTA, SOUTH DAKOTA, MINNESOTA, IOWA, NEBRASKA

SCHEDULE OF RATES FOR FIRM POWER SERVICE

Effective:
The first day of the first full billing period beginning on or after January 1, 2018, through December 31, 2022, or until superseded by another rate schedule.

Available:
Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program.

Applicable:
To the power and energy delivered to customers as firm power service.

Character:
Alternating current, 60 hertz, three phase, delivered and metered at the voltages and points established by contract.

Monthly Rate:

CAPACITY CHARGE: $5.25 for each kilowatt per month (kWmo) of billing capacity.

ENERGY CHARGE: 13.27 mills for each kilowatt-hour (kWh) for all energy delivered as firm power service.

BILLING CAPACITY: The billing capacity will be as defined by the power sales contract.

Charge Components:

Base: A fixed revenue requirement that includes operation and maintenance expense, investments and replacements, interest on investments and replacements, normal timing purchase power (purchases due to operational constraints, not associated with drought), and transmission costs.

$$\text{Base Capacity} = \frac{50\%\ \text{X Base Revenue Requirement}}{\text{Firm Metered Billing Units}} = \$5.25/\text{kWmo}$$

$$\text{Base Energy} = \frac{50\%\ \text{X Base Revenue Requirement}}{\text{Annual Energy}} = 13.27\ \text{mills/kWh}$$

Drought Adder: A formula-based revenue requirement that includes future purchase power above timing purchases, previous purchase power drought deficits, and interest on the purchase power drought deficits.

$$\text{Drought Adder Capacity} = \frac{50\%\ \text{X Drought Adder Revenue Requirement}}{\text{Firm Metered Billing Units}} = \$0.00/\text{kWmo}$$

$$\text{Drought Adder Energy} = \frac{50\%\ \text{X Drought Adder Revenue Requirement}}{\text{Annual Energy}} = 0.00\ \text{mills/kWh}$$

Process:

Any proposed change to the Base component will require a public process.

The Drought Adder may be adjusted annually using the above formulas for any costs attributed to drought of less than or equal to the equivalent of 2 mills/kWh to the Power Repayment Study composite rate. Any planned incremental adjustment to the Drought Adder greater than the equivalent of 2 mills/kWh to the PRS composite rate, will require a public process.

Adjustments:

For Billing of Unauthorized Overruns:

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual firm power and/or energy obligations, such overrun shall be billed at 10 times the above rate.

For Power Factor:

None. The customer will be required to maintain a power factor at the point of delivery between 95-percent lagging and 95-percent leading.

EXHIBIT 3 -
Proposed Rate Schedule P-SED-FP13

Proposed Rate Schedule P-SED-FP13
(Supersedes Schedule P-SED-FP12)
January 1, 2018

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

PICK-SLOAN MISSOURI BASIN PROGRAM—EASTERN DIVISION
MONTANA, NORTH DAKOTA, SOUTH DAKOTA, MINNESOTA, IOWA, NEBRASKA

SCHEDULE OF RATES FOR FIRM PEAKING POWER SERVICE

Effective:
The first day of the first full billing period beginning on or after January 1, 2018, through December 31, 2022, or until superseded by another rate schedule.

Available:
Within the marketing area served by the Eastern Division of the Pick-Sloan Missouri Basin Program, to our customers with generating resources enabling them to use firm peaking power service.

Applicable:
To the power sold to customers as firm peaking power service.

Character:
Alternating current, 60 hertz, three phase, delivered and metered at the voltages and points established by contract.

Monthly Rate:
CAPACITY CHARGE:
$4.75 for each kilowatt per month (kWmo) of the effective contract rate of delivery for peaking power or the maximum amount scheduled, whichever is greater.

ENERGY CHARGE:
13.27 mills for each kilowatt-hour (kWh) for all energy scheduled for delivery without return.

Charge Components:

Base: A fixed revenue requirement that includes operation and maintenance expense, investment and replacements, normal timing purchase power (purchases due to operational constraints, not associated with drought), and transmission.

$$\text{Base Capacity} = \frac{\text{Base Peaking Capacity Revenue Requirement}}{\text{Peaking CROD Billing Units}} = \$4.75/\text{kWmo}$$

Drought Adder: A formula-based revenue requirement that includes future purchase power above timing purchases, previous purchase power drought deficits, and interest on the purchase power drought deficits.

$$\text{Drought Adder Capacity} = \frac{\text{Drought Adder Peaking Capacity Revenue Requirement}}{\text{Peaking CROD Billing Units}} = \$0.00/\text{kWmo}$$

Process:
Any proposed change to the Base component will require a public process.
The Drought Adder may be adjusted annually using the above formula for any costs attributed to drought of less than or equal to the equivalent of 2 mills/kWh to the Power Repayment Study composite rate. Any planned incremental adjustment to the Drought Adder greater than the equivalent of 2 mills/kWh to the PRS composite rate, will require a public process.

BILLING CAPACITY:
The billing capacity will be the greater of (1) the highest 30-minute integrated capacity measured during the month up to, but not in excess of, the delivery obligation under the power sales contract, or (2) the contract rate of delivery.

Adjustments:

Billing for Unauthorized Overruns:
For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual obligation for peaking capacity and/or energy, such overrun shall be billed at 10 times the above rate.

EXHIBIT 4
Proposed Rate Schedule P-SED-M1

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION
MONTANA, NORTH DAKOTA, SOUTH DAKOTA, MINNESOTA, IOWA, NEBRASKA

SCHEDULE OF RATES FOR SALE OF SURPLUS ENERGY AND CAPACITY PRODUCTS

Effective:
The first day of the first full billing period beginning on or after January 1, 2018, through December 31, 2022, or until superseded by another rate schedule.

Applicable:
This rate schedule applies to Eastern Division of the Pick-Sloan Missouri Basin Program marketing and is applicable to the sale of P-SMBP--ED surplus energy and capacity products: reserves, regulation, frequency response, and energy. If any P-SMBP--ED surplus energy and capacity products are available, UGP can make the product(s) available for sale providing entities enter into separate agreement(s) with UGP Marketing Office which will specify the terms of sale(s).

Formula Rate:
The charge for each product will be determined at the time of the sale based on market rates, plus administrative costs. The customer will be responsible for acquiring transmission services necessary to deliver the product(s), for which a separate charge may be incurred.

EXHIBIT 5
Proposed Rate Adjustment *Federal Register* Notice

DEPARTMENT OF ENERGY

Western Area Power Administration

Pick-Sloan Missouri Basin Program—Eastern Division-Rate Order No. WAPA–180

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Firm Power Service and Sale of Surplus Products Rates.

SUMMARY: Western Area Power Administration (WAPA) is proposing revised rates for Pick-Sloan Missouri Basin Program—Eastern Division (P–SMBP—ED) firm power and firm peaking power service, and a new formula rate for sales of surplus products. Current firm power and firm peaking power service rates, under Rate Schedules P–SED–F12 and P–SED–FP12, are in effect through December 31, 2019.

WAPA is proposing to lower the overall charges for firm power and firm peaking power service by 19 percent, as a result of rebalancing the charge components in formula-based Rate Schedules P–SED–F12 and P–SED–FP12 by reducing the drought adder component, increasing the base component, and removing the voltage discount. The proposed rates will provide sufficient revenue to pay all annual costs, including interest expense, and repay investments within the allowable periods. In addition, WAPA is proposing a new formula rate for the sale of surplus products under Rate Schedule P–SED–M1. This new

rate schedule will allow for the sale of generation and generation-related products in excess of WAPA's P–SMBP—ED firm power obligations at market rates. WAPA will prepare a brochure providing detailed information on these proposed rates prior to the public information forums listed below. This brochure will be posted to WAPA's Web site at *https://www.wapa.gov/regions/UGP/rates/Pages/2018-firm-rate-adjustment.aspx.* If approved, the proposed rates, under Rate Schedules P–SED–F13, P–SED–FP13, and P–SED–M1 would become effective on January 1, 2018, and would remain in effect through December 31, 2022, or until superseded. Publication of this **Federal Register** notice begins the formal process for the proposed rate adjustment and new sale of surplus products formula rate.

DATES: The consultation and comment period will begin July 3, 2017 and end October 2, 2017. WAPA will present a detailed explanation of the proposed rates and other modifications at public information forums being held on the following dates and times:

1. August 22, 2017, 9:00 a.m. to 10:30 a.m. MDT, Denver, Colorado.
2. August 23, 2017, 9:00 a.m. to 10:30 a.m. CDT, Sioux Falls, South Dakota.

WAPA will accept oral and written comments at public comment forums on the following dates and times:

1. August 22, 2017, 11:00 a.m. to no later than 12 noon MDT, Denver, Colorado.
2. August 23, 2017, 11:00 a.m. to no later than 12 noon CDT, Sioux Falls, South Dakota.

WAPA will accept written comments anytime during the consultation and comment period.

ADDRESSES: Written comments and/or requests to be informed of Federal Energy Regulatory Commission (FERC) actions concerning the proposed rates submitted by WAPA to FERC for approval should be sent to: Mr. Robert J. Harris, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, 6th Floor, Billings, MT 59101–1266, or email *ugpfirmrate@wapa.gov.* Information about this rate process is posted on WAPA's Web site at *https://www.wapa.gov/regions/UGP/rates/Pages/2018-firm-rate-adjustment.aspx.* WAPA will post official comments received via letter and email to its Web site after the close of the comment period. WAPA must receive written comments by the end of the consultation and comment period to ensure they are considered in WAPA's decision process.

Public information and comment forum locations are:

1. Denver—Embassy Suites, 7001 Yampa Street, Denver, Colorado.
2. Sioux Falls—Holiday Inn, 100 West 8th Street, Sioux Falls, South Dakota.

FOR FURTHER INFORMATION CONTACT: Mrs. Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, 6th Floor, Billings, MT 59101–1266, telephone: (406) 255–2920, email: *cady@wapa.govorUGPFirmRate@wapa.gov.*

SUPPLEMENTARY INFORMATION:

Firm Electric Service

On December 2, 2014, the Deputy Secretary of Energy approved, on an interim basis, Rate Order No. WAPA–166 and Rate Schedules P–SED–F12 and P–SED–FP12 for the period beginning January 1, 2015, and ending December 31, 2019 (79 FR 72670–72677 (Dec. 8, 2014)).[1] These Rate Schedules are formula-based, providing for downward adjustments to the drought adder component.[2] On January 1, 2017, the drought adder component of the P–SMBP—ED effective Rate Schedules was adjusted downward, recognizing repayment of drought costs included in the drought adder component of the approved formula rates. The formula-based drought adder component needs to be adjusted down to zero in 2018 and such adjustment can be made using the approved annual drought adder adjustment process. However, since any adjustment to the base component must be done through a public rate process, WAPA now proposes to adjust both the base and drought adder components through a rate adjustment process.

WAPA proposes to adjust the formula-based drought adder component of firm power rate schedules down to zero in 2018, while the base component will be adjusted upward to address present costs. The P–SMBP Fiscal Year 2016 Power Repayment Study (PRS) revenue requirement and current water conditions in the P–SMBP are the determining factors for this proposed rate adjustment.

WAPA's Upper Great Plains Region (UGP) is also proposing the removal of the 5 percent voltage discount currently in the existing P–SMBP—ED firm power rate schedule P–SED–F12 and removing it from the firm power revenue requirement determined in the FY 2016 PRS. The voltage discount was originally created by the Bureau of Reclamation (BOR) in its firm power rate schedules prior to the creation of WAPA. This discount was to compensate certain preference customers for providing "transmission" facilities otherwise provided by the BOR and later WAPA. The effect of providing this discount to certain customers is to raise the firm power rates to all customers to recover the dollars lost by providing the discount. By removing the voltage discount, the overall P–SMBP—ED firm power rate will be lower and all firm power customers will pay firm power rates on an equivalent basis. The original intent of the voltage discount has been met in its nearly 70 years of application. The voltage discount has been difficult to administer equitably among customers. It takes considerable staff time to administer, impedes simplifying power and energy billing, and adds complexity to solely Upper Great Plains (UGP) power billing. Removing the voltage discount is revenue neutral for WAPA.

With the removal of the voltage discount taken into account, the proposed total annual revenue requirement for P–SMBP—ED is $230.1 million for firm power and firm peaking power service. The existing P–SMBP—ED charges in the current rate schedules for firm power and firm peaking power are being reduced, as indicated in Table 1:

[1] FERC confirmed and approved Rate Order WAPA–166 on a final basis on March 18, 2015, in Docket No. EF15–3–000. See *United States Department of Energy, Western Area Power Administration (Pick-Sloan Missouri Basin Program—Eastern Division),* 150 FERC ¶ 62,170.

[2] The drought adder component is a formula-based revenue requirement that includes future purchase power above timing purchases, previous purchase power drought deficits, and interest on the purchase power drought deficits. *See* 72 FR 64067 (November 14, 2007). The drought adder was added as a component to the energy and capacity rates in Rate Order No. WAPA–135, which was approved by the Deputy Secretary on an interim basis on November 14, 2007 (72 FR 64067). FERC confirmed and approved Rate Order WAPA–135 on a final basis on April 14, 2008, in Docket No. EF08–5031. See *United States Department of Energy, Western Area Power Administration (Pick-Sloan Missouri Basin Program-Eastern Division),* 123 FERC ¶ 62,048. Western reviews the drought adder each September to determine if drought costs differ from those projected in the Power Repayment Study and whether an adjustment to the drought adder is necessary. See 72 FR at 64071. The drought adder may be adjusted downward using the approved annual drought adder adjustment process, whereas an incremental upward adjustment to the drought adder component greater than the equivalent of 2 mills/kWh requires a public rate process. *See* 72 FR at 64071.

TABLE 1—SUMMARY OF CURRENT AND PROPOSED REVENUE REQUIREMENT AND RATES

Firm power service	Current under P–SED–F12/ P–SED–FP12 with modified drought adder reduction as of January 1, 2017	Proposed under P–SED–F13/ P–SED–FP13 as of January 1, 2018	Percent change
P–SMBP—ED Revenue Requirement (millions $)	$282.7	$230.1	−19
P–SMBP—ED Composite Rate (mills/kWh)	28.25	24.00	−15
Firm Capacity ($/kW-month)	$6.50	$5.25	−19
Firm Energy (mills/kWh)	16.18	13.27	−18
Firm Peaking Capacity ($/kW-month)	$5.85	$4.75	−19
Firm Peaking Energy (mills/kWh) [1]	16.18	13.27	−18

[1] Firm Peaking Energy is normally returned. This charge will be assessed in the event Firm Peaking Energy is not returned.

Under the current rate methodology, rates for P–SMBP—ED firm power and firm peaking power service are designed to recover an annual revenue requirement that includes investment repayment, interest, purchase power, operation and maintenance, and other expenses within the allowable period. The annual revenue requirement continues to be allocated equally between capacity and energy.

WAPA is proposing to place Rate Schedules P–SED–F13 and P–SED–FP13 into effect for the 5-year period beginning January 1, 2018, through December 31, 2022. The proposed adjustment updates the base component with present costs and reduces the drought adder component to zero, as the drought-related debts are projected to be fully repaid in 2018. The net effect of these adjustments results in an overall decrease to the P–SMBP—ED rates.

Base component costs for the P–SMBP—ED have increased primarily due to inflationary annual and capital cost increases associated with incorporating three new out-year projections into the 5-year cost evaluation period of the current rate-setting PRS. Concurrently, WAPA will be reducing the P SMBP—ED drought adder components of the firm power rates to zero recognizing the full repayment of drought costs in 2018. The anticipated net effect of these planned rate actions is the firm power rate charges for the P–SMBP—ED will be decreasing overall from the current rate charges. A comparison of the current and proposed components is listed in Table 2.

TABLE 2—SUMMARY OF P–SMBP—ED CHARGE COMPONENTS

	Current charges under rate schedules P–SED–F12 and P–SED–FP12 with modified drought adder reduction as of January 1, 2017			Proposed charges under rate schedules P–SED–F13 and P–SED–FP13 as of January 1, 2018			Change (percent)
	Base component	Drought adder component	Total charge	Base component	Drought adder component	Total charge	
Firm Capacity ($/kWmonth)	$4.90	$1.60	$6.50	$5.25	$0.00	$5.25	−19
Firm Energy (mills/kWh)	12.33	3.85	16.18	13.27	0.00	13.27	−18
Firm Peaking Capacity ($/kWmonth)	$4.45	$1.40	$5.85	$4.75	$0.00	$4.75	−19
Firm Peaking Energy (mills/kWh) [1]	12.33	3.85	16.18	13.27	0.00	13.27	−18

[1] Firm peaking energy is normally returned. This charge will be assessed in the event firm peaking energy is not returned.

As a part of the current and proposed rate schedules, WAPA provides for a formula-based adjustment of the drought adder component of up to 2 mills/kWh. The 2 mills/kWh cap is intended to place a limit on the amount the drought adder component can be adjusted relative to associated drought costs to recover costs attributable to the drought adder formula rate for any one-year cycle. Continuing to identify the firm power service revenue requirement using base and drought adder components will assist WAPA in the presentation of future impacts of droughts, demonstrate repayment of drought-related costs in the PRS, and allow WAPA to be more responsive to changes caused by drought-related expenses. WAPA will continue to charge and bill its customers firm power and firm peaking power service rates for energy and capacity, which are the sum of the base and drought adder components.

Sale of Surplus Products

In addition to the firm power and firm peaking power rate schedules, WAPA is proposing a new formula-based rate schedule, P–SED–M1, applicable to the sale of surplus energy and capacity products. The schedule includes reserves, regulation, frequency response, and energy. If WAPA UGP surplus products are available, the charge will be determined based on market rates, plus administrative costs. The customer will be responsible for acquiring transmission service necessary to deliver the product(s) for which a separate charge may be incurred. WAPA is proposing to place Rate Schedule P–SED–M1 into effect for the 5-year period beginning January 1, 2018, through December 31, 2022.

Legal Authority

The proposed rates constitute a major rate adjustment, as defined by 10 CFR 903.2(e); therefore, WAPA will hold the public information and public comment forums for this rate adjustment, pursuant to 10 CFR 903.15 and 903.16. WAPA will review all timely public comments and make amendments or adjustments to the proposals as appropriate. Proposed rates will be forwarded to the Deputy Secretary of Energy for approval on an interim basis.

WAPA is establishing firm power service rates, firm peaking power service rates, and sale of surplus product formula rates for P–SMBP–ED under the Department of Energy (DOE) Organization Act (42 U.S.C. 7152); the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)) and section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts specifically applicable to the projects involved.

By Delegation Order No. 00–037.00B, effective November 19, 2016, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to WAPA'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, to remand or to disapprove such rates to FERC. Existing DOE procedures for public participation in power rate adjustments (10 CFR part 903) were published on September 18, 1985 (50 FR 37835).

Availability of Information

All brochures, studies, comments, letters, memorandums, or other documents WAPA initiates or uses to develop the proposed rates will be available for inspection and copying at the Upper Great Plains Regional Office, located at 2900 4th Avenue North, 6th Floor, Billings, Montana. These documents and supporting information will be posted on WAPA's Web site as they become available under the "2018 Firm Rate Adjustment" section located at *https://www.wapa.gov/regions/UGP/rates/Pages/2018-firm-rate-adjustment.aspx.*

Ratemaking Procedure Requirements

Environmental Compliance

In compliance with the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. 4321–4347; the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500–1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021), WAPA is in the process of determining whether an environmental assessment or an environmental impact statement should be prepared or if this action can be categorically excluded from those requirements.

Determination Under Executive Order 12866

WAPA has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by the Office of Management and Budget is required.

Dated: June 27, 2017.

Mark A. Gabriel,

Administrator.

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