

Western-UGP Transmission and Ancillary Services Rates

Customer Brochure



November 2014

*(Updated December 16, 2014, with changes noted in the following sections:
Proposed Formula Rate for Scheduling, System Control and Dispatch Service,
Proposed Rate for Regulation and Frequency Response Service, Proposed Formula
Rates for Operating Reserves Service – Spinning and Supplemental, Appendix D,
Appendix E, and Appendix F)*

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INTRODUCTION

This brochure provides information on Western Area Power Administration (Western) Upper Great Plains Region's (UGP) proposed formula transmission and ancillary services rates. Effective October 1, 2015, the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED), which is administered by Western-UGP, signed a Membership Agreement enabling it to join the Southwest Power Pool (SPP) Regional Transmission Organization (RTO) as a Transmission Owner (TO). This membership application has been approved by the Federal Energy Regulatory Commission (FERC) subject to compliance filings and settlement hearings on seams issues. P-SMBP--ED proposes new formula rates for transmission and ancillary services provided under SPP's Open Access Transmission Tariff (Tariff) pursuant to Western-UGP's Membership Agreement and other contractual arrangements with SPP. Western-UGP needs approval of new formula rates to allow SPP to incorporate them into its new zone that will include Western-UGP facilities and to file these rates in the SPP Tariff.

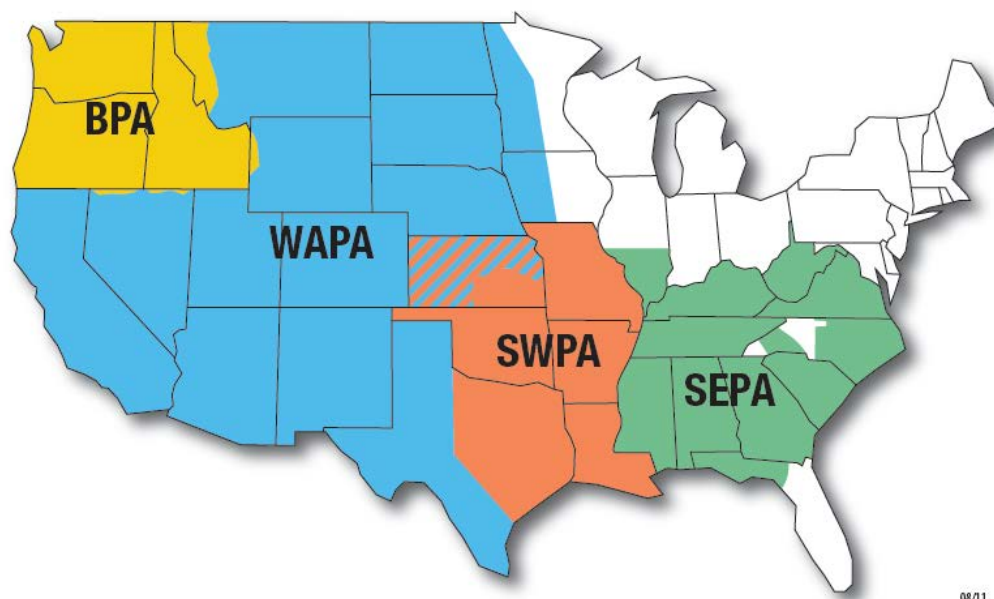
This action was first announced in a *Federal Register* notice (FRN) published on November 3, 2014 (See Appendix A for the FRN). The proposed Transmission and Ancillary Services Rates are explained in greater detail in this rate brochure.

OVERVIEW

Power Marketing Administration History

A Power Marketing Administration (PMA) is a United States federal agency within the Department of Energy with the responsibility for marketing hydropower, primarily from multiple-purpose water projects operated by the Bureau of Reclamation (Reclamation), the U.S. Army Corps of Engineers (Corps), and the International Boundary and Water Commission.

There are four federal PMAs, which market and deliver power in 34 U.S. states:



- Bonneville Power Administration (BPA)
- Western Area Power Administration (WAPA)
- Southwestern Power Administration (SWPA)
- Southeastern Power Administration (SEPA)

Western Area Power Administration

Congress established Western on Dec. 21, 1977, under Section 302 of the Department of Energy Organization Act. Under this statute, Western assumed power marketing responsibilities and ownership, operation and maintenance of the transmission system from Reclamation. Reclamation retained responsibility for irrigation and municipal consumption as well as dam and powerplant construction, operation and maintenance.

Mission

Market and deliver clean, renewable, reliable, cost-based federal hydroelectric power and related services

Vision

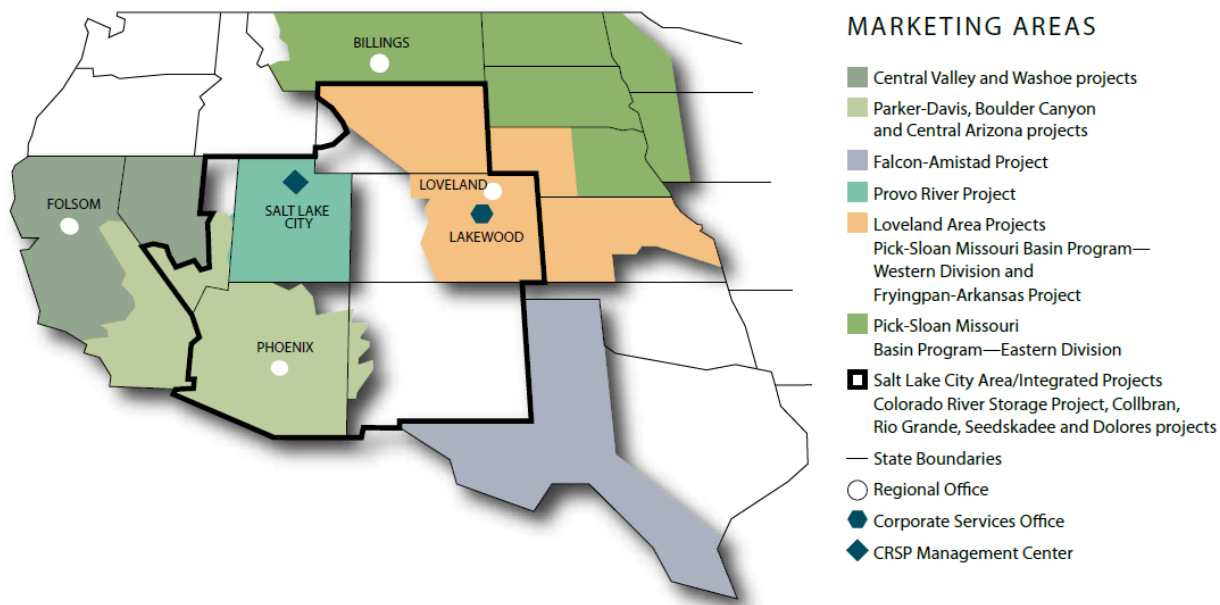
Continue to provide premier power marketing and transmission services to our customers, as well as contribute to enhancing America's security and sustaining our nation's economic vitality

Western annually sells and delivers more than 10,000 megawatts of power from 56 hydroelectric powerplants, making up about 40 percent of hydroelectric generation in the western and central United States. Western also sells the United States' 547-MW entitlement from the coal-fired Navajo Generating Station near Page, Arizona.

Western operates and maintains an extensive, integrated and complex high-voltage power transmission system to deliver power to its customers. Using this more than 17,000-circuit mile Federal transmission system, Western sells and delivers reliable electric power to most of the western half of the United States. Western's employees work around the clock to keep bulk power moving through the interconnected transmission system so that electricity ultimately reaches power customers.

Western's service area covers 1.3 million square miles in 15 states. Western sells firm and non-firm power to more than 680 wholesale customers, including cities and towns, rural electric cooperatives, public utility and irrigation districts, Federal and state agencies, Native American tribes, investor-owned utilities, power marketers and Reclamation customers. Those utility customers, in turn, provide retail electric service to 50 million customers in Arizona, California, Colorado, Iowa, Kansas, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Texas, Utah and Wyoming.

Western's role in delivering power includes managing 10 rate-setting projects. Power rates are set to recover all costs associated with our power delivery activities, such as annual operating costs, the specific and allocated multipurpose costs associated with recovering the Federal investment in the generation facilities (with interest) and certain other costs assigned to power for repayment, such as aid to irrigation development.



Western-UGP's region is located in the marketing area of the Pick-Sloan Missouri Basin Program--Eastern Division. Western-UGP serves customers across more than 378,000 square miles in the northern rocky mountain and western plains states. Power is delivered through 119 substations and across 7,886 miles of Federal transmission lines, which connect with other regional transmission systems. The transmission system in the Western-UGP has been jointly developed and planned with neighboring utilities for several decades:

| | |
|-----------|--|
| 1959 | Reclamation notified preference customers it could no longer meet total projected power needs past 1964 and urged entities to make their own arrangements for supplemental power supply. Reclamation and certain supplement power suppliers agreed to construct future transmission facilities within the region using a single-system, joint planning concept. |
| 1963 | Joint Transmission System (JTS) was created when Reclamation and Basin Electric Power Cooperative (Basin) entered into the Missouri Basin Systems Group (MBSG) Pooling Agreement. |
| 1977 | Western was established and assumed the responsibility for the Reclamation-owned federal transmission system and existing contracts. Since then, the supplemental power suppliers have augmented the existing federal transmission system, using a single system, joint-planning concept, rather than build separate transmission systems themselves. |
| 1998 | Western-UGP, Basin, and Heartland Consumers Power District established the Integrated System (IS) and includes 9,848 miles of transmission lines owned by Basin, Heartland, and Western-UGP. Transmission services over the IS are provided under Western's Open Access Transmission Tariff, with Western-UGP serving as tariff administrator for the IS. |
| 1995-2000 | Western-UGP transmission facilities were also included in the Mid-Continent Area Power Pool (MAPP) regional Transmission tariff, known as Schedule F. MAPP Schedule F service provided firm and non-firm short term point-to-point transmission service across the MAPP footprint. |
| 2015 | Upon achieving final FERC approval of membership within SPP and transferring functional control of Western-UGP's P-SMBP--ED facilities to SPP, Western-UGP will merge its WAUE in the Eastern Interconnection into SPP's Balancing Authority Area. P-SMBP--ED transmission services will no longer be available on the IS under Western's Open Access Transmission Tariff. |

Rate Adjustment Procedure

As a PMA, Western must follow many laws, regulations and policies. Western's rate adjustment procedures are governed by the "Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions" (10 CFR Part 903). These procedures give interested parties an opportunity to participate in the development of power rates and include the following:

- Advance Announcement of Rate Adjustment
- Notice of Proposed Rate and Consultation and Comment Period
- Preliminary Decision on Interim Rate
- Final Approval of Interim Rate

Western's timeline related to this process:

| | |
|----------------------|--|
| November 1, 2013 | Publication of <i>Federal Register</i> Notice of Recommendation to Pursue Regional Transmission Organization Membership |
| November 19-21, 2013 | Public Information Meetings were held |
| December 16, 2013 | Public Process concluded |
| January 10, 2014 | Western made determination to pursue formal negotiations for membership with Southwest Power Pool |
| July 9, 2014 | Western's Administrator, Mark Gabriel, approved regional transmission organization membership with SPP |
| September 11, 2014 | FERC Tariff Filing ER14-2850 – IS Open Access Transmission Tariff Revisions proposed to be effective October 1, 2015 |
| September 11, 2014 | FERC Tariff Filing ER14-2851 - IS System Bylaws and Membership Agreement Revisions proposed to be effective November 10, 2014 |
| November 3, 2014 | Publication of <i>Federal Register</i> Notice of Proposed Transmission and Ancillary Services Formula Rates |
| November 10, 2014 | Western-UGP's SPP membership application under FERC Tariff Filings ER-14-2850 and ER14-2851 approved by FERC subject to compliance filings and settlement hearings on seams issues |
| November 19-20, 2014 | Public Information Meetings being held |
| December 17-18, 2014 | Public Comment Forums are scheduled |
| February 2, 2015 | Public Process will conclude |
| Spring 2015 | Western will publish <i>Federal Register</i> Notice of Transmission and Ancillary Services Formula Rates |
| October 1, 2015 | Western is planning to join SPP, contingent upon FERC approval of Western-UGP's negotiated provisions in the SPP Membership Agreement, Bylaws, and Tariff (SPP Governing Agreements) |

Additional information and updates related to the SPP Membership process can be found at

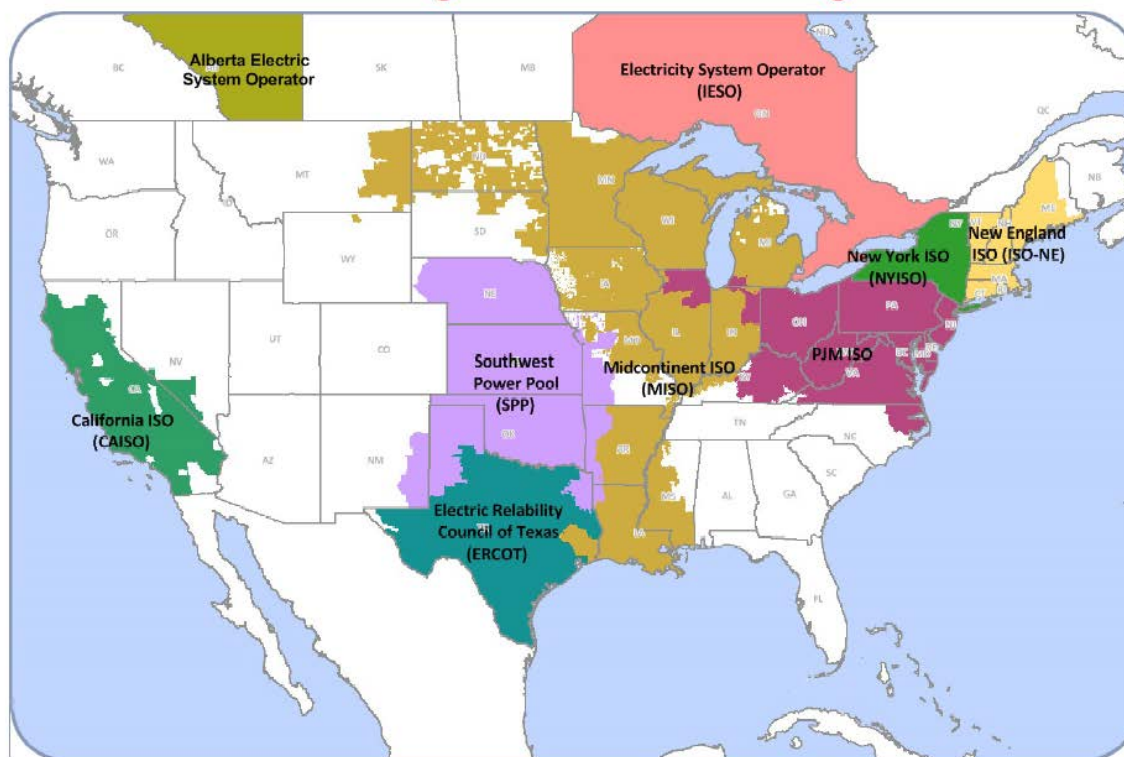
<http://www.wapa.gov/ugp/PowerMarketing/sppmembership/sppmembership.htm>

Southwest Power Pool

As a RTO, SPP is mandated by FERC to ensure reliable supplies of power, adequate transmission infrastructure, and a competitive wholesale electricity marketplace. SPP also serves as a Regional Entity (RE) of the North American Electric Reliability Corporation. However, Western-UGP facilities in the Eastern Interconnection will remain in the Midwest Reliability Organization's RE footprint and the Western-UGP facilities in the Western Interconnection will remain in the Western Electricity Coordinating Corporation RE Footprint.

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

North American Regional Transmission Organizations



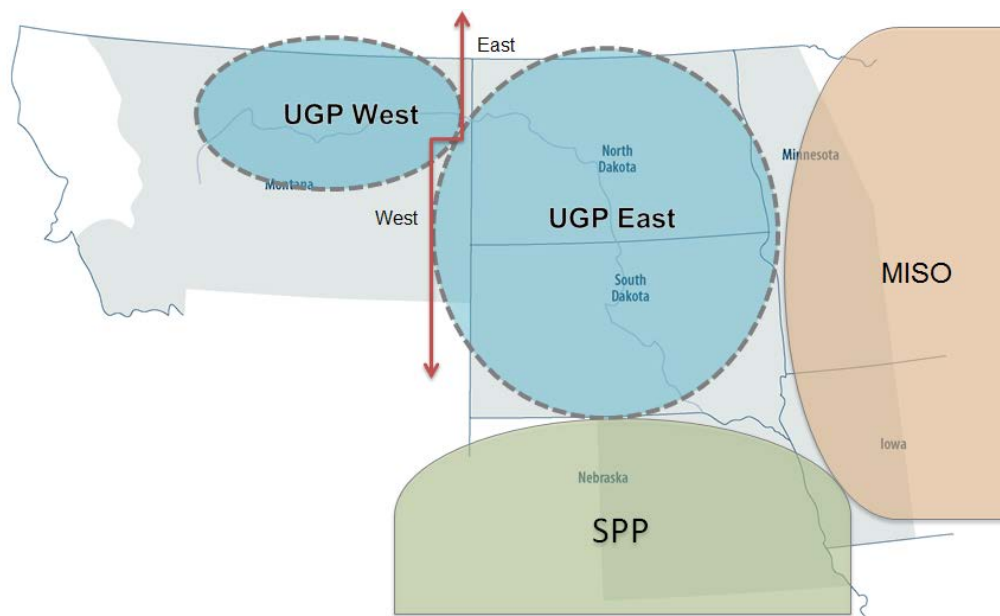
Source: Created in Energy Velocity

Updated: July 14, 2014

Founded in 1941, SPP is a not-for-profit organization in which membership is voluntary. The SPP RTO has 76 members in nine states, including investor-owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, power marketers, and independent transmission companies. SPP is based in Little Rock, Arkansas, and has approximately 575 employees.

ZONE AND FACILITIES

Upon achieving final FERC approval of membership in SPP and transferring functional control of Western-UGP's P-SMBP--ED transmission facilities to SPP, Western-UGP will merge its WAUE in the Eastern Interconnection into SPP's Balancing Authority Area. Western-UGP will, however, retain operation of the WAUW in the Western Interconnection as the Balancing Authority (BA), and will not place the portion of its transmission system located in the Western Interconnection into SPP's Integrated Marketplace.



Western-UGP needs to adopt new formula rates for use under the SPP Tariff. The adoption of new formula rates is necessary so that Western will recover its revenue requirement of eligible transmission facilities under SPP's Tariff. Western-UGP is proposing a formula rate to calculate its Annual Transmission Revenue Requirement (ATRR) for its transmission facilities located in both the Eastern and Western Interconnections that are to be transferred to the functional control of SPP and used by SPP to provide transmission service in the joint-owner Upper Missouri Zone (UMZ or Zone 19) under the SPP Tariff. The UMZ will include both the UGP East and UGP West areas shown above

Upper Missouri Zone (UMZ or Zone 19)

For transmission service provided by SPP under SPP's Tariff, Western-UGP will provide its ATRR to SPP for calculation of charges for transmission service in the joint-owner UMZ. SPP will utilize zonal and regional load and other applicable information, including additional annual transmission revenue requirements from other transmission owners with transmission facilities in the joint-owner

UMZ, to calculate the applicable charges for SPP transmission service in the UMZ.

Western-UGP will provide its annual revenue requirement for Scheduling, System Control and Dispatch Service under Schedule 1 of the SPP Tariff for calculation of Schedule 1 charges in the UMZ.

Because Western-UGP is retaining operation of the WAUW in the Western Interconnection as the BA, Western-UGP will also provide rates to SPP for the Ancillary Services needed in the portion of the UMZ in the Western Interconnection. SPP will utilize these WAUW Ancillary Service rates for calculation of charges for service in that portion of the UMZ.

Western-UGP Facilities included in UMZ

Western-UGP proposes to include facilities in the UMZ ATRR calculation that meet Transmission Facility criteria as identified in Attachment AI to SPP's Tariff.

Included Facilities:

- Non-radial power lines, substations, and associated facilities operated at 60 kV or above, plus radial lines and associated facilities operated at or above 60 kV that serve two or more eligible customers.
- Facilities utilized for interconnecting various internal Zones to each other and facilities that interconnect the transmission system with surrounding entities.
- Control equipment and facilities necessary to control and protect a facility that qualifies as a Transmission Facility.
- For a substation connected to the Transmission System, facilities on the high-side (60 kV or above) will be included with the exception of transformer isolation equipment.
- The portion of direct-current interconnections with areas outside the SPP Region (DC ties) owned by a TO in the SPP Region, including the portions of DC tie that operate lower than 60 kV.
- A facility operated below 60 kV meeting the seven factor test set forth in FERC Order No. 888 or any applicable successor test.

Excluded Facilities:

- Generator step-up transformers and generator leads.
- Radial lines from a generating station to a single substation or switching station on the Transmission System.
- Direct assignment facilities.

| Western-UGP Estimated Facilities \$ | FY 2015 Facilities - Transmission Totals (existing IS) | FY 2015 Facilities - Transmission Totals (proposed SPP) |
|--|--|---|
| Transmission Lines | 498,987,519 | 498,987,519 |
| Substations | 569,504,317 | 562,298,067 |
| Line Taps & Related Equipment | 6,317,926 | 6,413,378 |
| O&M Service & Maintenance Centers | 47,875,266 | 47,875,266 |
| Operation Centers | 11,753,204 | 13,753,825 |
| Mobile Equipment | 2,919,291 | 2,919,291 |
| Transmission-Related Generation Facilities | 0 | 1,612,899 |
| Communication Facilities | 24,549,002 | 24,549,002 |
| Miles City Converter Station | 23,747,216 | 23,747,216 |
| Distribution Facilities | 0 | 0 |
| Rocky Mountain Region Facilities | 6,683,701 | 6,683,701 |
| Corps of Engineers Facilities | 95,961,170 | 95,961,170 |
| Total | 1,288,298,612 | 1,284,801,334 |

PROPOSED FORMULA TRANSMISSION AND ANCILLARY SERVICES RATES

The proposed rate revisions are scheduled to go into effect October 1, 2015 and remain in effect until September 30, 2020 or until superseded.

Proposed Formula Transmission Rates

The ATRR is derived by annualizing Western-UGP's transmission investment and adding transmission-related annual costs, including operation and maintenance, interest, administrative and general costs, and depreciation. Western-UGP cost data will be submitted to SPP in standard revenue requirement templates. The annual costs are reduced by revenue credits received by Western-UGP under the SPP Tariff. A revenue requirement template will be used to calculate the ATRR utilizing the cost estimates as data inputs.

| Western-UGP Estimated Annual Revenue Requirement \$ | FY 2015 ATRR (existing IS) | FY 2015 ATRR (proposed SPP) |
|--|-------------------------------|--------------------------------|
| Gross Revenue Requirement | 141,122,511 | 140,624,962 |
| Revenue Credits | 18,168,167 | 2,224,307 |
| Scheduling, System Control & Dispatch | 77,985 | 11,942,735 |
| Subtotal | 122,876,359 | 126,457,920 |
| Prior-Period True-up | (352,586) | (352,586) |
| Total Revenue Requirement | 122,523,773 | 126,105,334 |

Transmission Rate Annual True-up

Western-UGP will “true-up” the cost estimates with Western-UGP’s actual costs. Revenue collected in excess of Western-UGP’s actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual transmission costs for the year.

Data used in the annual recalculation of the formula rate effective on January 1 each year will be made available for review and comment on or shortly after September 1 each year. Western proposes providing customers the opportunity to discuss and comment on the recalculated rates on or before October 31, 2015, and October 31 of subsequent years. This procedure will ensure that interested parties are aware of the data used to calculate the rates. This will also provide interested parties the opportunity to comment before the costs are collected through the formula rate.

Western-UGP intends to true-up the cost estimates it uses in the calculation of the 2013, 2014 and 2015 IS rates in place prior to joining SPP, when calculating the rates. This true-up will only include Western-UGP’s portion of the IS revenue requirement. The rates currently proposed include Western-UGP’s IS true-up.

Proposed Formula Rate for Scheduling, System Control and Dispatch Service

Scheduling, System Control and Dispatch Service (SSCD) is required to schedule the movement of power through, out of, within, or into the SPP and/or WAUW Balancing Authority Area(s). Western-UGP’s annual revenue requirement for SSCD will be utilized by SPP to calculate the regional SPP Schedule 1 rate for SPP through and out transactions, and also to calculate the zonal SPP Schedule 1 rate for the UMZ. Western-UGP’s annual revenue requirement for SSCD is derived by annualizing Western-UGP’s applicable transmission-related annual costs associated with the provision of SSCD service, including operation and maintenance, interest, administrative and general costs, and depreciation. This rate and rate design only recovers Western-UGP’s revenue requirement for SSCD service. **(December 16, 2014 update: The table below is modified to add the last two rows, which reflect the subtraction of the estimated SSCD revenue from non-transmission related facilities to obtain Western-UGP’s annual SSCD revenue requirement for the transmission facilities in the SPP Transmission System.)**

| Western-UGP Scheduling, System Control and Dispatch Service | FY 2015 ATRR (proposed SPP) |
|---|-----------------------------|
| Operation & Maintenance Expense | 11,190,489 |
| A&G Expense | 207,246 |
| Depreciation Expense | 267,582 |
| Cost of Capital (Weighted Composite Interest Rate * Net Plant Investment) | 277,418 |
| Revenue Requirement (\$) | 11,942,735 |
| Estimated SSCD Revenue (\$) from non-Transmission facilities | 558,442 |
| Revenue Requirement (\$) for SSCD for Transmission facilities | 11,384,293 |

SSCD Annual True-up

Western-UGP proposes a formula-based rate methodology to calculate its annual revenue requirement for SSCD on a current (forward-looking) basis by using projections to estimate transmission costs for the upcoming year, with a “true up” in a subsequent year, to be provided to SPP for inclusion in Schedule 1 under the SPP Tariff.

Western-UGP will “true-up” the cost estimates with Western-UGP’s actual costs. Revenue collected in excess of Western-UGP’s actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

Proposed Rate for Regulation and Frequency Response Service

Western-UGP proposes a formula-based rate methodology for Regulation and Frequency Response Service for the WAUW as described below. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Regulation and Frequency Response Service in the WAUW as the BA. Regulation and Frequency Response Service in the WAUW is provided primarily by Corps facilities. The Corps’ generation fixed charge rate (in percent) is applied to the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Regulation and Frequency Response

Service in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Regulation and Frequency Response Service is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the purchase of power resources to provide Regulation and Frequency Response Service to support intermittent renewable resources as described below. Western-UGP's annual revenue requirement would be recovered under the SPP Tariff. **(December 16, 2014 update: The table below is modified to reflect that the Regulation Charge values were provided for reference and comparison purposes only.)**

| Western-UGP Regulation & Frequency Response Service | FY 2015 ATRR (proposed SPP) |
|---|-----------------------------|
| Corps Fixed Charge Rate | 18.033% |
| Corps Generation Net Plant Costs (\$) | 448,203,339 |
| Capacity Used for Regulation (kW-yr) | 8,861 |
| Total Regulation Revenue Requirement (including any true-up) (\$) | 294,308 |
| Load in WAUW Control Area (kW-yr) * | 109,250 |
| Regulation Charge (\$/kW-Yr) * | 2.69 |
| Regulation Charge (\$/kW-mo) * | 0.22 |
| (* Provided for reference and comparison purposes only.) | |

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, provided that Western-UGP is able to purchase additional power resources delivered into its WAUW to provide Regulation and Frequency Response Service to intermittent renewable generation resources serving load within Western-UGP's WAUW, costs for these regulation resources will become part of Western-UGP's Regulation and Frequency Response Service charges. However, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these Rate Schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Proposed Rate for Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Energy Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so from its own resources or from resources available to it, when transmission service is provided by SPP and used to serve load within its WAUW. The transmission customer must either purchase this service or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly energy imbalances under this Rate Schedule, WAUW-AS4, or hourly generator imbalances under Rate Schedule WAUW-AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western-UGP proposes that charges for service within WAUW be based on deviation bands as follows:

- (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost for the month;
- (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction(s) to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost when energy taken by the transmission customer in a schedule hour is greater than the energy scheduled or 90 percent of incremental cost when energy taken by a transmission customer in a schedule hour is less than the scheduled amount; and
- (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of the highest incremental cost that occurs that day for energy taken by the transmission customer in a scheduled hour that is greater than the energy scheduled, or 75 percent of the lowest incremental cost that occurs that day when energy taken by a transmission customer is less than the scheduled amount.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's Open Access Same-Time Information System (OASIS) at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

Proposed Formula Rates for Operating Reserves Service – Spinning and Supplemental

Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Operating Reserve–Spinning Reserve Service and Operating Reserve–Supplemental Reserve Service in the WAUW as the BA. Western-UGP will offer this service under a formula-based rate methodology for Spinning Reserve Service and Supplemental Reserve Service (Reserve Services); except that Western-UGP will substitute the reserve requirement of the reserve sharing group under which Western-UGP is currently a member for its transmission system in the Western Interconnection.

Western-UGP's annual cost of generation for Reserve Services is determined by multiplying the Corps' generation fixed charge rate (in percent) by the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Reserve Services in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Reserve Services is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the current reserve sharing group, if applicable. Western-UGP's annual revenue requirement will be recovered under the SPP Tariff. This rate design recovers only Western-UGP's revenue requirement associated with Reserve Services. **(December 16, 2014 update: The Reserve Services will apply to both load and generation in the WAUW (i.e. transmission service for loads in the WAUW and transmission service for generation deliveries out of the WAUW). The table below is modified to reflect that the Reserves Charge values were provided for reference and comparison purposes only.)**

| Western-UGP Operating Reserves Service – Spinning & Supplemental | FY 2015 ATRR (proposed SPP) |
|---|--------------------------------|
| Corps Fixed Charge Rate | 18.033% |
| Corps Generation Net Plant Costs (\$) | 448,203,339 |
| Plant Capacity (kW) | 2,500,000 |
| Western's Max Load in WAUW Control | 142,000 |

| | |
|--|---------|
| Area (kW) | |
| Max Generation in WAUW Control Area (kW) | 97,500 |
| Capacity used for Reserves (kW) | 7,185 |
| Annual Reserves Revenue Requirement (including any true-up) (\$) | 232,291 |
| Annual Charge (\$) * | 0.97 |
| Monthly Charge (\$) * | 0.08 |
| (* Provided for reference and comparison purposes only.) | |

Western-UGP has no long-term reserves available beyond its own internal requirements. At a customer's request, and if it is capable of doing so, Western-UGP will acquire needed resources and pass the costs, plus an amount for administration, on to the requesting customer. The customer is responsible to provide the transmission to deliver these reserves. In the event that Reserve Services are called upon for emergency use, Western-UGP will assess a charge for energy used at the prevailing market energy rate in the WAUW.

Proposed Rate for Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located within Western-UGP's WAUW and a delivery schedule from that generator to: (1) another Balancing Authority Area or (2) a load within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Generator Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so, from its own resources or from resources available to it, when transmission service is used to deliver energy from a generator located within its WAUW. The transmission customer must either purchase this service, or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly generator imbalances under this Schedule, WAUW-AS7, or hourly energy imbalances under Rate Schedule WAUW-AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that

generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Western-UGP proposes to base the rate on deviation bands as follows:

- (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost;
- (ii) deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost; and
- (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered from the generation resource is greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions in order to respond to directives by the transmission service provider, a BA or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

Western-UGP's incremental cost will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's OASIS at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

CONTACT INFORMATION

Email address for Official Comments:

UGPTRates@wapa.gov

Website with Official Information:

<http://www.wapa.gov/ugp/rates.default.htm>

Addresses:

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Western Area Power Administration

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Billings, MT 59101-1266

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APPENDICES

Appendix A - *Federal Register* Notice 79 FR 65205 (November 3, 2014)

FY2015 Rate Data:

Appendix B - Proposed Facilities

Appendix C - Proposed Formula Transmission Revenue Requirement Template

Appendix D - Proposed Scheduling, System Control & Dispatch Service Revenue Requirement

Appendix E - Proposed Formula Rate for Regulation & Frequency Response Service

Appendix F - Proposed Formula Rates for Operating Reserves Service – Spinning & Supplemental

DEPARTMENT OF ENERGY**Western Area Power Administration****Pick-Sloan Missouri Basin Program—
Eastern Division-Rate Order No.
WAPA-170**

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Transmission and Ancillary Services Formula Rates.

SUMMARY: The Western Area Power Administration (Western), a power marketing administration within the Department of Energy (DOE), is proposing new formula transmission and ancillary services rates for the Pick-Sloan Missouri Basin Program—Eastern Division (P-SMBP—ED). The proposed formula rates would become effective October 1, 2015, and remain in effect until September 30, 2020, or until Western changes the formula rates through another public rate process pursuant to 10 CFR part 903, whichever is sooner. Western's Upper Great Plains Region (Western-UGP) has joined the Southwest Power Pool (SPP) Regional Transmission Organization (RTO) contingent upon Federal Energy Regulatory Commission (FERC) approval of Western-UGP's negotiated provisions in the SPP Membership Agreement, Bylaws, and Tariff (SPP Governing Documents). Transmission and ancillary services will be provided over Western-UGP facilities under the SPP Open Access Transmission Tariff (Tariff) by SPP as the transmission service provider upon Western-UGP transferring functional control to SPP. Western-UGP needs to adopt new formula rates for these transmission and ancillary services so Western-UGP's costs can be recovered under the SPP Tariff. These formula rates will provide Western sufficient revenue to pay all annual costs, including interest expenses, and repay required investments within the allowable

periods. Western-UGP's membership in SPP and the functional control of its facilities will be in accordance with the SPP Governing Documents and other contractual arrangements with SPP. Publication of this **Federal Register** notice begins the formal process for the proposed rates.

DATES: The consultation and comment period begins today and will end February 2, 2015. Western will present a detailed explanation of the proposed rates at public information forums that will be held on November 19, 2014, from 9 a.m. to 12 p.m. CST in Omaha, Nebraska, and November 20, 2014, from 9 a.m. to 12 p.m. CST in Fargo, North Dakota. Western will accept written comments any time during the 90-day consultation and comment period.

Western will also accept oral and written comments at public comment forums that will be held on December 17, 2014, from 9 a.m. to 12 p.m. CST in Omaha, Nebraska, and December 18, 2014, from 9 a.m. to 12 p.m. CST in Fargo, North Dakota.

ADDRESSES: The public information forums and public comment forums will be held at the Holiday Inn Downtown Omaha, located at 1420 Cuming Street, Omaha, Nebraska, and at the Ramada Plaza & Suites and Conference Center, located at 1635 42nd Street South, Fargo, North Dakota, on the dates cited above. Written comments should be sent to: Mr. Robert J. Harris, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266; or email: UGPTRates@wapa.gov. Written comments may also be faxed to: (406) 255-2900, attention: Linda Cady-Hoffman, Rates Manager. Western will post information about the rate process on its Web site at: <http://www.wapa.gov/ugp/rates/default.htm>. Western will also post official comments received via letter, fax, and email to this Web site. Written comments must be received by the end of the consultation and comment period to ensure they are considered in Western's decision process.

FOR FURTHER INFORMATION CONTACT: Mr. Lloyd Linke, Operations Manager, Upper Great Plains Region, Western Area Power Administration, 1330 41st Street, Watertown, SD 57201; telephone: (605) 882-7500; email: Lloyd@wapa.gov; or Ms. Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266; telephone: (406) 255-2920; email: cady@wapa.gov.

SUPPLEMENTARY INFORMATION: On November 1, 2013, Western published a

Notice of Recommendation to Pursue Regional Transmission Organization Membership.¹ Western-UGP has signed a Membership Agreement enabling it to join SPP, and the membership application is currently before FERC for approval. The Western-UGP transmission facilities in the P-SMBP-ED are currently integrated with transmission facilities of Basin Electric Power Cooperative and Heartland Consumers Power District such that transmission services are provided over an Integrated System (IS). The IS includes approximately 9,848 miles of transmission lines, with transmission and ancillary services provided under Western's Open Access Transmission Tariff, and Western-UGP serving as the IS administrator. The IS includes transmission facilities located in both the Eastern and Western Interconnections separated by the Miles City DC tie and the Fort Peck Power Plant substation. Western-UGP also currently operates two Balancing Authority Areas within the IS; Western Area Power Administration, Upper Great Plains West (WAUW), and Western Area Power Administration, Upper Great Plains East (WAUE), which are also separated by the Miles City DC tie and the Fort Peck Power Plant substation. Western-UGP's existing rate schedules consist of separate rates for firm and non-firm transmission service and ancillary services rates for the transmission facilities in the P-SMBP-ED.

Existing Rate Schedules UGP-NT1, UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7, and UGP-TSP1 were approved under Rate Order Nos. WAPA-144 and WAPA-148² for a 5-year period beginning on January 1, 2010, and ending December 31, 2014. These rates are being extended through December 31, 2016, under a separate public process.³ Upon achieving final FERC approval of membership within SPP and transferring functional control of Western-UGP's P-SMBP-ED facilities to SPP, Western-UGP will merge its WAUE in the Eastern Interconnection into SPP's Balancing Authority Area. P-SMBP-ED transmission services will no longer be available on the IS under Western's Open Access Transmission Tariff, and the existing Rate Schedules UGP-NT1,

UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7, and UGP-TSP1 will not be applicable. Western-UGP will, however, retain operation of the WAUW in the Western Interconnection as the Balancing Authority (BA), and will not place the portion of its transmission system located in the Western Interconnection into SPP's Integrated Marketplace.

Western-UGP needs to adopt new formula rates for use under the SPP Tariff. The adoption of new formula rates is necessary so that Western may recover its revenue requirement of eligible transmission facilities under SPP's Tariff. Western-UGP is proposing a formula rate to calculate its Annual Transmission Revenue Requirement (ATRR) for its transmission facilities located in both the Eastern and Western Interconnections that are to be transferred to the functional control of SPP and used by SPP to provide transmission service in the joint-owner Upper Missouri Zone (UMZ or Zone 19) under the SPP Tariff.

Western-UGP is also proposing a formula rate schedule WAUGP-AS1 for Scheduling, System Control, and Dispatch Service (SSCD) for the SPP UMZ, which will include the transmission facilities in the WAUW. Additionally, Western-UGP is proposing formula rate schedules to calculate charges for applicable ancillary services associated with its WAUW in the Western Interconnection. These formula rate schedules include WAUW-AS3 for Regulation and Frequency Response Service, WAUW-AS4 for Energy Imbalance Service, WAUW-AS5 for Operating Reserve—Spinning Reserve Service, WAUW-AS6 for Operating Reserve—Supplemental Reserve Service, and WAUW-AS7 for Generator Imbalance Service. The proposed rate schedules contain formula-based rates that will be recalculated annually. Western-UGP intends for the proposed formula-based rates to go into effect October 1, 2015, and remain in effect until September 30, 2020. Annual recalculated charges under the formula-based rates are proposed to go into effect on January 1, 2016, and annually on January 1 thereafter.

Proposed Formula Transmission Rates

Consistent with Western-UGP's current formula rates, Western-UGP proposes to recover its transmission system related expenses and investments on a current (forward-looking) basis by using projections to estimate transmission costs for the upcoming year, with a "true up" in a subsequent year. For transmission

¹ 78 FR 65641, November 1, 2013.

² Rate Order Nos. WAPA-144 and WAPA-148, approved on an interim basis, 74 FR 68820, December 29, 2009; approved and confirmed by FERC on a final basis, 132 FERC ¶61,257, FERC Docket No. EP10-3-000, September 23, 2010.

³ Rate Order No. WAPA-168, 79 FR 46798, August 11, 2014.

service provided by SPP under SPP's Tariff, Western-UGP will provide its ATRR to SPP for calculation of charges for transmission service in the joint-owner UMZ. SPP will utilize zonal and regional load and other applicable information, including additional annual transmission revenue requirements from other transmission owners with transmission facilities in the joint-owner UMZ, to calculate the applicable charges for SPP transmission service in the UMZ. The ATRR is derived by annualizing Western-UGP's transmission investment and adding transmission-related annual costs, including operation and maintenance, interest, administrative and general costs, and depreciation. Western-UGP cost data will be submitted to SPP in standard revenue requirement templates. The annual costs are reduced by revenue credits received by Western-UGP under the SPP Tariff. A revenue requirement template will be used to calculate the ATRR utilizing the cost estimates as data inputs.

Western-UGP will "true-up" the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual transmission costs for the year.

Data used in the annual recalculation of the formula rate effective on January 1 each year will be made available for review and comment on or shortly after September 1 each year. Western proposes providing customers the opportunity to discuss and comment on the recalculated rates on or before October 31, 2015, and October 31 of subsequent years. This procedure will ensure that interested parties are aware of the data used to calculate the rates. This will also provide interested parties the opportunity to comment before the costs are collected through the formula rate.

Proposed Formula Rate for SSCD Service

Western-UGP proposes a formula-based rate methodology to calculate its annual revenue requirement for SSCD on a current (forward-looking) basis by using projections to estimate transmission costs for the upcoming year, with a "true up" in a subsequent year, to be provided to SPP for inclusion in Schedule 1 under the SPP Tariff.

SSCD is required to schedule the movement of power through, out of, within, or into the SPP and/or WAUW Balancing Authority Area(s). Western-UGP's annual revenue requirement for SSCD, reduced by any portion assessed specifically to the loads in the WAUW, will be utilized by SPP to calculate the regional SPP Schedule 1 rate for SPP through and out transactions, and also to calculate the zonal SPP Schedule 1 rate for the UMZ. Western-UGP's annual revenue requirement for SSCD is derived by annualizing Western-UGP's applicable transmission-related annual costs associated with the provision of SSCD service, including operation and maintenance, interest, administrative and general costs, and depreciation. A portion of this revenue requirement may be assessed to the loads in the WAUW. This rate and rate design only recovers Western-UGP's revenue requirement for SSCD service.

Western-UGP will "true-up" the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

Proposed Formula Rate for Regulation and Frequency Response Service

Western-UGP proposes a formula-based rate methodology for Regulation and Frequency Response Service for the WAUW as described below. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Regulation and Frequency Response Service in the WAUW as the BA. Regulation and Frequency Response Service in the WAUW is provided primarily by United States Army Corps of Engineers (Corps) facilities. The Corps' generation fixed charge rate (in percent) is applied to the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Regulation and Frequency Response Service in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Regulation and Frequency Response Service is then

determined by taking the annual Corps generation cost to provide this service and adding costs associated with the purchase of power resources to provide Regulation and Frequency Response Service to support intermittent renewable resources as described below. Western-UGP's annual revenue requirement would be recovered under the SPP Tariff.

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, provided that Western-UGP is able to purchase additional power resources delivered into its WAUW to provide Regulation and Frequency Response Service to intermittent renewable generation resources serving load within Western-UGP's WAUW, costs for these regulation resources will become part of Western-UGP's Regulation and Frequency Response Service charges. However, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these Rate Schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Proposed Rate for Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Energy Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so from its own resources or from resources available to it, when transmission service is provided by SPP and used to serve load within its WAUW. The transmission customer must either purchase this

service or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly energy imbalances under this Rate Schedule, WAUW-AS4, or hourly generator imbalances under Rate Schedule WAUW-AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western-UGP proposes that charges for service within WAUW be based on deviation bands as follows: (i) Deviations within ± 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost for the month; (ii) deviations greater than ± 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction(s) to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost when energy taken by the transmission customer in a schedule hour is greater than the energy scheduled or 90 percent of incremental cost when energy taken by a transmission customer in a schedule hour is less than the scheduled amount; and (iii) deviations greater than ± 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of the highest incremental cost that occurs that day for energy taken by the transmission customer in a scheduled hour that is greater than the energy scheduled, or 75 percent of the lowest incremental cost that occurs that day when energy taken by a transmission customer is less than the scheduled amount.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's Open Access Same-Time Information System (OASIS) at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

Proposed Formula Rates for Operating Reserves Service—Spinning and Supplemental

Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Operating Reserve—Spinning Reserve Service and Operating Reserve—Supplemental Reserve Service in the WAUW as the BA. Western-UGP will offer this service under a formula-based rate methodology for Spinning Reserve Service and Supplemental Reserve Service (Reserve Services); except that Western-UGP will substitute the reserve requirement of the reserve sharing group under which Western-UGP is currently a member for its transmission system in the Western Interconnection.

Western-UGP's annual cost of generation for Reserve Services is determined by multiplying the Corps' generation fixed charge rate (in percent) by the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity (\$/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Reserve Services in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Reserve Services is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the current reserve sharing group, if applicable. Western-UGP's annual revenue requirement would be recovered under the SPP Tariff. This rate design recovers only Western-UGP's revenue requirement associated with Reserve Services.

Western-UGP has no long-term reserves available beyond its own internal requirements. At a customer's request, and if it is capable of doing so, Western-UGP will acquire needed resources and pass the costs, plus an amount for administration, on to the requesting customer. The customer is responsible to provide the transmission to deliver these reserves. In the event that Reserve Services are called upon for emergency use, Western-UGP will assess a charge for energy used at the prevailing market energy rate in the WAUW.

Proposed Rate for Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator

located within Western-UGP's WAUW and a delivery schedule from that generator to: (1) Another Balancing Authority Area or (2) a load within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Generator Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so, from its own resources or from resources available to it, when transmission service is used to deliver energy from a generator located within its WAUW. The transmission customer must either purchase this service, or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly generator imbalances under this Schedule, WAUW-AS7, or hourly energy imbalances under Rate Schedule WAUW-AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Western-UGP proposes to base the rate on deviation bands as follows: (i) Deviations within ± 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at

100 percent of the average incremental cost; (ii) deviations greater than ± 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost; and (iii) deviations greater than ± 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered from the generation resource is greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions in order to respond to directives by the transmission service provider, a BA or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

Western-UGP's incremental cost will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's OASIS at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

Legal Authority

Since the proposed rates constitute a major rate adjustment as defined by 10 CFR part 903, Western will hold both public information forums and public comment forums. After review of public

comments, Western will take further action on the proposed formula rates consistent with 10 CFR part 903.

Western is establishing transmission and ancillary services formula rates for the P-SMBP-ED under the DOE Organization Act (42 U.S.C 7152); the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)); section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts that specifically apply to the project involved.

By Delegation Order No. 00-037.00A, effective October 25, 2013, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to Western'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 and transmission rate adjustments (10 CFR part 903) were published on September 18, 1985 (50 FR 37837).

Availability of Information

All brochures, studies, comments, letters, memorandums, or other documents that Western initiates or uses to develop the proposed rates are available for inspection and copying at the Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, Montana. Many of these documents are also available on Western's Web site at: <http://www.wapa.gov/ugp/rates/default.htm>.

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), Western 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

Western 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: October 24, 2014.

Mark A. Gabriel,
Administrator.

[FR Doc. 2014-26042 Filed 10-31-14; 8:45 am]

BILLING CODE 8460-01-P

Appendix B - Proposed Facilities

| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|----------|-------------------------------------|------------------------|-------------------------------------|-------------------------|
| 1 | Transmission Lines | | | |
| 2 | AURORA- BROOKINGS 115-KV T/L | 133,158 | 133,158 | 133,158 |
| 3 | AURORA-FLANDREAU 115-KV T/L | 96,623 | 96,623 | 96,623 |
| 4 | BAKER-HETTINGER | 459,778 | 459,778 | 459,778 |
| 5 | BEULAH-GARRISON | 351,685 | 351,685 | 351,685 |
| 6 | BISMARCK-GLENHAM | 5,000,750 | 5,000,750 | 5,000,750 |
| 7 | BISMARCK-JAMESTOWN NO. 1 | 5,697,945 | 5,697,945 | 5,697,945 |
| 8 | BISMARCK-JAMESTOWN NO. 2 | 4,229,572 | 4,229,572 | 4,229,572 |
| 9 | BISMARCK-MEDORA | 7,763,675 | 7,763,675 | 7,763,675 |
| 10 | BROOKINGS-SIOUX FALLS | 1,954,466 | 1,954,466 | 1,954,466 |
| 11 | BROOKINGS-WATERTOWN NO. 1 | 1,718,240 | 1,718,240 | 1,718,240 |
| 12 | BROOKINGS-WATERTOWN NO. 2 | 3,318,558 | 3,318,558 | 3,318,558 |
| 13 | BROOKINGS-WHITE 115/230KV | 2,952,237 | 2,952,237 | 2,952,237 |
| 14 | CARRINGTON-JAMESTOWN | 1,259,668 | 1,259,668 | 1,259,668 |
| 15 | CHARLIE CREEK - WATFORD CITY | 17,224,015 | 17,224,015 | 17,224,015 |
| 16 | CHARLIE CREEK-BELFIELD | 14,513,308 | 14,513,308 | 14,513,308 |
| 17 | CONRAD-SHELBY #2 | 5,804,318 | 5,804,318 | 5,804,318 |
| 18 | CRESTON-MARYVILLE | 1,366,481 | 1,366,481 | 1,366,481 |
| 19 | DAWSON COUNTY - MILES CITY | 2,605,678 | 2,605,678 | 2,605,678 |
| 20 | DAWSON-GLENDIVE | 553,800 | 553,800 | 553,800 |
| 21 | DAWSON-MEDORA | 2,867,800 | 2,867,800 | 2,867,800 |
| 22 | DAWSON-O'FALLON CREEK | 918,676 | 918,676 | 918,676 |
| 23 | DAWSON-WILLISTON | 1,258,900 | 1,258,900 | 1,258,900 |
| 24 | DENISON-CRESTON | 21,014,624 | 21,014,624 | 21,014,624 |
| 25 | DEVILS LAKE-CARRINGTON | 8,311,002 | 8,311,002 | 8,311,002 |
| 26 | DEVILS LAKE-LAKOTA | 1,872,142 | 1,872,142 | 1,872,142 |
| 27 | EDGELEY-FORMAN | 375,316 | 375,316 | 375,316 |
| 28 | EDGELEY-GROTON | 771,572 | 771,572 | 771,572 |
| 29 | ELK CREEK-NEWELL-MAURINE 115-kv T/L | 60,704 | 60,704 | 60,704 |
| 30 | FARGO-GRAND FORKS | 2,369,098 | 2,369,098 | 2,369,098 |
| 31 | FARGO-MORRIS | 7,305,877 | 7,305,877 | 7,305,877 |
| 32 | FORMAN-SUMMIT (BISMARCK) | 922,098 | 922,098 | 922,098 |
| 33 | FORMAN-SUMMIT (HURON) | 3,440,115 | 3,440,115 | 3,440,115 |
| 34 | FORT PECK-DAWSON #1 | 444,780 | 444,780 | 444,780 |
| 35 | FORT PECK-DAWSON #2 | 7,919,832 | 7,919,832 | 7,919,832 |
| 36 | FORT PECK-HAVRE | 28,806,330 | 28,806,330 | 28,806,330 |
| 37 | FORT PECK-WHATELY | 157,876 | 157,876 | 157,876 |
| 38 | FORT PECK-WILLISTON | 10,096,097 | 10,096,097 | 10,096,097 |
| 39 | FORT PECK-WOLF POINT #2 | 7,554,492 | 7,554,492 | 7,554,492 |
| 40 | FORT RANDALL-FORT THOMPSON 1&2 | 7,326,839 | 7,326,839 | 7,326,839 |
| 41 | FORT RANDALL-GAVIN'S POINT | 2,262,949 | 2,262,949 | 2,262,949 |
| 42 | FORT RANDALL-GREGORY | 777,327 | 777,327 | 777,327 |
| 43 | FORT RANDALL-MT VERNON | 967,828 | 967,828 | 967,828 |
| 44 | FORT RANDALL-O'NEILL | 679,540 | 679,540 | 679,540 |
| 45 | FORT RANDALL-SIOUX CITY 1&2 | 10,230,863 | 10,230,863 | 10,230,863 |
| 46 | FORT THOMPSON-GRAND ISLAND | 16,397,505 | 16,397,505 | 16,397,505 |
| 47 | FORT THOMPSON-HURON 230-KV 1&2 | 5,033,030 | 5,033,030 | 5,033,030 |
| 48 | FORT THOMPSON-SIOUX FALLS 1&2 | 10,035,507 | 10,035,507 | 10,035,507 |
| 49 | GARRISON-BISMARCK 230KV 1&2 | 6,133,398 | 6,133,398 | 6,133,398 |
| 50 | GARRISON-JAMESTOWN | 4,306,775 | 4,306,775 | 4,306,775 |
| 51 | GARRISON-MALLARD | 1,993,083 | 1,993,083 | 1,993,083 |
| 52 | GARRISON-WM. J. NEAL | 1,540,944 | 1,540,944 | 1,540,944 |
| 53 | GAVINS POINT-BELDEN | 455,727 | 455,727 | 455,727 |
| 54 | GAVINS POINT-SIOUX FALLS | 2,348,919 | 2,348,919 | 2,348,919 |
| 55 | GRANITE FALLS- MORRIS | 3,279,089 | 3,279,089 | 3,279,089 |
| 56 | GRANITE FALLS-MINNESOTA VALLEY | 156,778 | 156,778 | 156,778 |
| 57 | GREAT FALLS-CONRAD | 12,744,945 | 12,744,945 | 12,744,945 |
| 58 | GREGORY-MISSION | 2,010,227 | 2,010,227 | 2,010,227 |
| 59 | GROTON-HURON | 1,212,199 | 1,212,199 | 1,212,199 |
| 60 | GROTON-SUMMIT | 3,176,751 | 3,176,751 | 3,176,751 |
| 61 | HAVRE-RAINBOW | 8,685,923 | 8,685,923 | 8,685,923 |
| 62 | HAVRE-SHELBY#2 | 5,561,905 | 5,561,905 | 5,561,905 |
| 63 | HESKETT-DEVAUL | 2,270,236 | 2,270,236 | 2,270,236 |
| 64 | HETTINGER-NEW UNDERWOOD | 11,228,663 | 11,228,663 | 11,228,663 |
| 65 | HURON-MT VERNON | 617,623 | 617,623 | 617,623 |
| 66 | HURON-WATERTOWN 230KV 1&3 | 6,319,622 | 6,319,622 | 6,319,622 |
| 67 | JAMESTOWN-EDGELEY | 324,360 | 324,360 | 324,360 |

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Facility Information

| Line No. | DESCRIPTION | FY2015 EST IS \$ | FY2015 EST IS TRANSMISSION TOTAL | FY2015 EST SPP TOTAL \$ |
|----------|---|------------------|----------------------------------|-------------------------|
| 68 | JAMESTOWN-FARGO NO. 1 | 4,941,649 | 4,941,649 | 4,941,649 |
| 69 | JAMESTOWN-FARGO NO. 2 | 3,155,850 | 3,155,850 | 3,155,850 |
| 70 | JAMESTOWN-GRAND FORKS | 22,285,708 | 22,285,708 | 22,285,708 |
| 71 | JAMESTOWN-VALLEY CITY | 1,055,414 | 1,055,414 | 1,055,414 |
| 72 | LEEDS-DEVILS LAKE | 8,982,948 | 8,982,948 | 8,982,948 |
| 73 | LEEDS-ROLLA | 2,038,631 | 2,038,631 | 2,038,631 |
| 74 | MALLARD-RUGBY | 1,089,083 | 1,089,083 | 1,089,083 |
| 75 | MARTIN-MISSION | 1,816,904 | 1,816,904 | 1,816,904 |
| 76 | MARTIN-PHILIP | 1,790,108 | 1,790,108 | 1,790,108 |
| 77 | MAURINE-RAPID CITY | 6,346,264 | 6,346,264 | 6,346,264 |
| 78 | MILES CITY-BAKER | 10,569,338 | 10,569,338 | 10,569,338 |
| 79 | MILES CITY-CUSTER | 3,750,704 | 3,750,704 | 3,750,704 |
| 80 | NEW UNDERWOOD-PHILIP | 2,720,853 | 2,720,853 | 2,720,853 |
| 81 | NEW UNDERWOOD-RAPID CITY NO. 1 | 1,132,486 | 1,132,486 | 1,132,486 |
| 82 | NEW UNDERWOOD-RAPID CITY NO. 2 | 309,991 | 309,991 | 309,991 |
| 83 | NEW UNDERWOOD-STEGALL (HURON) | 2,651,860 | 2,651,860 | 2,651,860 |
| 84 | OAHE-FORT THOMPSON 230KV 1&2 | 3,850,393 | 3,850,393 | 3,850,393 |
| 85 | OAHE-FORT THOMPSON 230KV 3&4 | 5,119,119 | 5,119,119 | 5,119,119 |
| 86 | OAHE-GLENHAM | 5,768,280 | 5,768,280 | 5,768,280 |
| 87 | OAHE-MAURINE | 1,967,901 | 1,967,901 | 1,967,901 |
| 88 | OAHE-NEW UNDERWOOD | 6,683,770 | 6,683,770 | 6,683,770 |
| 89 | OAHE-PIERRE | 388,816 | 388,816 | 388,816 |
| 90 | O'FALLON CREEK-MILES CITY | 2,488,318 | 2,488,318 | 2,488,318 |
| 91 | PIERRE-PHILIP | 1,187,034 | 1,187,034 | 1,187,034 |
| 92 | RAPID CITY-ELK CREEK 115-kV T/L | 52,064 | 52,064 | 52,064 |
| 93 | RUGBY-LEEDS | 2,235,655 | 2,235,655 | 2,235,655 |
| 94 | SHELBY-SHELBY#2 | 576,090 | 576,090 | 576,090 |
| 95 | SIOUX CITY-DENISON | 1,825,369 | 1,825,369 | 1,825,369 |
| 96 | SIOUX CITY-SPENCER | 1,938,353 | 1,938,353 | 1,938,353 |
| 97 | SIOUX FALLS- SIOUX CITY | 3,217,192 | 3,217,192 | 3,217,192 |
| 98 | SIOUX FALLS-VIRGIL FODNESS 230KV T-LINE | 277,897 | 277,897 | 277,897 |
| 99 | SUMMIT-WATERTOWN | 6,743,203 | 6,743,203 | 6,743,203 |
| 100 | TIBER TAP-TIBER | 1,084,858 | 1,084,858 | 1,084,858 |
| 101 | UTICA JCT-SIOUX FALLS | 3,485,236 | 3,485,236 | 3,485,236 |
| 102 | VALLEY CITY-FORMAN | 1,527,895 | 1,527,895 | 1,527,895 |
| 103 | VERONA GREAT FALLS 161-kV LINE | 4,497,482 | 4,497,482 | 4,497,482 |
| 104 | VIRGIL FODNESS-UTICA JUNCTION-FT RANDALL/RASMUS | 312,931.04 | 312,931 | 312,931 |
| 105 | WATERTOWN-GRANITE FALLS 1&2 | 7,381,220 | 7,381,220 | 7,381,220 |
| 106 | WATERTOWN-SIOUX CITY | 26,679,769 | 26,679,769 | 26,679,769 |
| 107 | WATFORD CITY-BEULAH | (3,775,575) | (3,775,575) | (3,775,575) |
| 108 | WILLISTON-WATFORD CITY | 17,608,556 | 17,608,556 | 17,608,556 |
| 109 | WOLF POINT-CIRCLE | 2,783,582 | 2,783,582 | 2,783,582 |
| 110 | WM. J. NEAL-RUGBY | 4,629,316 | 4,629,316 | 4,629,316 |
| 111 | YELLOWTAIL-CUSTER | 2,265,163 | 2,265,163 | 2,265,163 |
| 112 | | Subtotal | 498,987,519 | 498,987,519 |
| 113 | Substations | | | |
| 114 | APPELDORN SUBSTATION | 5,878,984 | 5,878,984 | 5,878,984 |
| 115 | ARMOUR SUBSTATION | 2,585,372 | 2,243,714 | 1,117,933 |
| 116 | ASH SUBSTATION | 63,325 | 63,325 | 63,325 |
| 117 | AURORA SUBSTATION | 2,899,881 | 2,899,881 | 2,899,881 |
| 118 | BELDEN SUBSTATION | 164,986 | 164,986 | 164,986 |
| 119 | BELFIELD SUBSTATION | 13,937,668 | 13,937,668 | 13,937,668 |
| 120 | BERESFORD SUBSTATION | 4,653,291 | 3,862,232 | 3,901,175 |
| 121 | BISBEE SUBSTATION | 272,529 | 136,264 | 56,597 |
| 122 | BISMARCK SUBSTATION | 15,219,876 | 15,219,876 | 15,173,189 |
| 123 | BISON | 12,472 | 12,472 | 12,472 |
| 124 | BOLE SUB | 2,945,979 | 2,945,979 | 2,620,855 |
| 125 | BONESTEEL SUBSTATION | 3,443,566 | 1,721,783 | 2,216,942 |
| 126 | BROOKINGS SUBSTATION | 4,460,377 | 4,460,377 | 3,573,151 |
| 127 | CARPENTER SUBSTATION | 2,463,312 | 2,463,312 | 2,463,312 |
| 128 | CARRINGTON SUBSTATION | 3,819,873 | 3,323,290 | 3,157,165 |
| 129 | CIRCLE SUBSTATION | 9,139,054 | 9,139,054 | 9,065,820 |
| 130 | CONRAD SUB | 5,320,569 | 5,320,569 | 5,320,569 |
| 131 | CRESTON SUBSTATION | 9,184,255 | 9,129,255 | 8,549,123 |
| 132 | CROSSOVER SUB | 11,177,951 | 11,177,951 | 11,177,951 |
| 133 | CULBERTSON EAST SWITCHING STATION | 2,390,851 | 2,390,851 | 2,390,851 |
| 134 | CUSTER SUBSTATION | 4,664,419 | 4,664,419 | 2,648,211 |

Western Area Power Administration
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| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|----------|---------------------------------|------------------------|-------------------------------------|-------------------------|
| 135 | CUSTER TRAIL SUBSTATION | 1,475,222 | 737,611 | 280,555 |
| 136 | DAWSON COUNTY SUBSTATION | 10,657,691 | 9,805,076 | 10,656,664 |
| 137 | DENISON SUBSTATION | 15,752,306 | 15,752,306 | 14,743,978 |
| 138 | DEVAUL SUBSTATION | 882,271 | 352,908 | 751,461 |
| 139 | DEVILS LAKE SUBSTATION | 2,852,080 | 2,538,351 | 2,779,274 |
| 140 | EAGLE BUTTE SUBSTATION | 1,190,380 | 1,190,380 | 950,210 |
| 141 | EDGELEY SUBSTATION | 5,403,827 | 4,647,291 | 5,403,827 |
| 142 | ELK CREEK SUBSTATION | 2,086,660 | 2,086,660 | 2,086,660 |
| 143 | ELLENDALE SUBSTATION | 579 | 579 | 579 |
| 144 | ELLIOTT SWITCHING STATION | 3,121,488 | 3,121,488 | 3,121,488 |
| 145 | ENDERLIN TAP STATION | 749,768 | 749,768 | 749,768 |
| 146 | EXIRA SWITCHING STATION | 5,500,776 | 5,500,776 | 5,500,776 |
| 147 | FAIRVIEW WEST SWITCHING STATION | 4,296,873 | 4,296,873 | 4,296,873 |
| 148 | FAITH SUBSTATION | 1,224,932 | 612,466 | 757,992 |
| 149 | FARGO SUBSTATION | 20,373,151 | 20,326,151 | 20,373,151 |
| 150 | FLANDREAU SUBSTATION | 4,222,330 | 3,504,534 | 4,222,330 |
| 151 | FORMAN SUBSTATION | 6,160,581 | 5,359,705 | 5,456,157 |
| 152 | FORT RANDALL | 253,710 | 253,710 | 253,710 |
| 153 | FORT THOMPSON #2 | 10,761,312 | 10,761,312 | 10,761,312 |
| 154 | FORT THOMPSON SUBSTATION | 15,464,906 | 15,110,906 | 15,464,906 |
| 155 | GLENDIVE SUBSTATION | 1,725,310 | 1,725,310 | 1,725,310 |
| 156 | GRAND FORKS SUBSTATION | 10,146,043 | 10,146,043 | 10,146,043 |
| 157 | GRAND ISLAND SUBSTATION | 12,342,545 | 12,342,545 | 12,342,545 |
| 158 | GRANITE FALLS SUBSTATION | 20,809,025 | 20,752,025 | 19,532,693.76 |
| 159 | GREAT FALLS SUB | 8,188,497 | 8,188,497 | 8,188,497 |
| 160 | GREGORY SUBSTATION | 1,538,606 | 1,230,885 | 1,506,124 |
| 161 | GROTON SUBSTATION | 5,121,517 | 5,121,517 | 4,999,831 |
| 162 | HAVRE SUBSTATION | 11,201,379 | 9,297,145 | 10,685,663 |
| 163 | HILKEN SUBSTATION | 3,894,020 | 3,894,020 | 3,894,020 |
| 164 | HURON SUBSTATION | 10,816,912 | 10,816,912 | 10,553,364 |
| 165 | JAMESTOWN SUBSTATION | 18,469,966 | 16,622,969 | 16,856,087 |
| 166 | KILLDEER SUBSTATION | 6,501,113 | 6,501,113 | 6,409,375 |
| 167 | LAKOTA SUBSTATION | 2,855,212 | 1,912,992 | 2,709,424 |
| 168 | LEEDS SUBSTATION | 3,945,478 | 3,393,111 | 3,760,923 |
| 169 | LETCHER SUBSTATION | 10,998,129 | 10,998,129 | 10,998,129 |
| 170 | MANDAN SUBSTATION | 19,476 | 19,476 | 19,476 |
| 171 | MARTIN SUBSTATION | 1,827,365 | 1,827,365 | 845,694 |
| 172 | MAURINE SUBSTATION | 7,920,648 | 7,920,648 | 7,737,533 |
| 173 | MIDLAND SUBSTATION | 836,212 | 836,212 | 689,069 |
| 174 | MILES CITY SUB #2 | 6,387,656 | 6,387,656 | 6,387,656 |
| 175 | MILES CITY SUB #3 | 1,895,702 | 1,895,702 | 1,895,702 |
| 176 | MILES CITY SUBSTATION | 875,329 | 875,329 | 875,329 |
| 177 | MISSION SUBSTATION | 3,473,710 | 3,473,710 | 2,888,367 |
| 178 | MORRIS SUBSTATION | 7,229,447 | 7,229,447 | 7,229,447 |
| 179 | MT VERNON SUBSTATION | 2,030,824 | 2,030,824 | 1,769,604 |
| 180 | NELSON SUBSTATION | 1,944,817 | 1,944,817 | 1,944,817 |
| 181 | NEW UNDERWOOD SUBSTATION | 16,525,620 | 14,707,802 | 16,311,512 |
| 182 | NEWELL SUBSTATION | 1,152,964 | 1,152,964 | 722,677 |
| 183 | Non-Facility | 263,535 | 263,535 | 263,535 |
| 184 | O'FALLON CREEK SUBSTATION | 3,264,302 | 1,632,151 | 1,673,183 |
| 185 | PHILIP SUBSTATION | 1,770,395 | 1,770,395 | 1,663,692 |
| 186 | PIERRE SUBSTATION | 4,268,659 | 2,134,329 | 3,881,526 |
| 187 | RAINBOW SUBSTATION | 250,629 | 250,629 | 250,629 |
| 188 | RAPID CITY SUBSTATION | 6,564,551 | 6,564,551 | 4,281,555 |
| 189 | RICHLAND SUBSTATION | 1,718,947 | 343,789 | - |
| 190 | ROLLA SUBSTATION | 623,513 | 467,635 | 623,513 |
| 191 | RUDYARD SUBSTATION | 2,568,854 | 2,132,149 | 1,147,874 |
| 192 | RUGBY SUBSTATION | 5,902,798 | 5,076,406 | 5,686,832 |
| 193 | SAVAGE SUB | 74,403 | 74,403 | 74,403 |
| 194 | SHELBY SUBSTATION | 861,699 | 861,699 | 207,165 |
| 195 | SHELBY SUBSTATION #2 | 5,204,951 | 5,204,951 | 5,204,951 |
| 196 | SIOUX CITY #2 | 11,004,091 | 11,004,091 | 11,004,091 |
| 197 | SIOUX CITY SUBSTATION | 16,733,099 | 16,676,099 | 16,733,099 |
| 198 | SIOUX FALLS SUBSTATION | 13,394,859 | 13,394,859 | 13,132,554 |
| 199 | SPENCER | 3,555,011 | 3,555,011 | 2,518,646 |
| 200 | SULLY BUTTES | 74,428 | 74,428 | 74,428 |
| 201 | SUMMIT SUBSTATION | 2,716,120 | 2,716,120 | 2,344,448 |

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| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL\$ | FY2015 EST SPP TOTAL\$ |
|----------|--|------------------------|------------------------------------|------------------------|
| 202 | TYNDALL SUBSTATION | 931,157 | 931,157 | 882,074 |
| 203 | UTICA JCT. | 12,863,876 | 12,863,876 | 12,863,876 |
| 204 | VALLEY CITY SUBSTATION | 5,316,003 | 5,316,003 | 3,786,849 |
| 205 | VERONA | 25,210 | 25,210 | 25,210 |
| 206 | VIRGIL FODNESS SUBSTATION | 3,206,763 | 3,206,763 | 3,206,763 |
| 207 | WALL SUBSTATION | 1,495,170 | 747,585 | 770,265 |
| 208 | WARD SUBSTATION | 3,455,845 | 3,455,845 | 3,455,845 |
| 209 | WASHBURN SUBSTATION | 2,078,693 | 2,078,693 | 1,115,828 |
| 210 | WATERTOWN #2 | 2,900,981 | 2,900,981 | 2,900,981 |
| 211 | WATERTOWN STATIC VAR SYSTEM | 11,751,835 | 11,751,835 | 11,751,835 |
| 212 | WATERTOWN SUBSTATION | 15,150,794 | 15,150,794 | 14,589,532 |
| 213 | WATFORD CITY SUB | 7,130,269 | 7,100,269 | 7,130,269 |
| 214 | WESSINGTON SPRINGS SUBSTATION | 5,141,440 | 5,141,440 | 5,141,440 |
| 215 | WHATELY (NORTHERN) | 40,860 | 40,860 | 40,860 |
| 216 | WHATELY SUBSTATION | 109,910 | 54,955 | 55,663 |
| 217 | WHITE 345/115 SUB | 10,936,510 | 10,936,510 | 10,936,510 |
| 218 | WICKSVILLE SUBSTATION | 687,329 | 343,664 | 613,605 |
| 219 | WILLISTON 2 SUBSTATION | 15,292,177 | 15,292,177 | 15,292,177 |
| 220 | WILLISTON SUBSTATION | 7,852,641 | 7,852,641 | 7,852,641 |
| 221 | WINNER SUBSTATION | 3,219,465 | 1,609,732 | 3,120,406 |
| 222 | WOLF POINT SUBSTATION | 7,198,683 | 5,039,078 | 6,003,327 |
| 223 | WOONSOCKET SUBSTATION | 2,303,185 | 2,303,185 | 1,315,661 |
| 224 | YANKTON SUBSTATION | 53,583 | 53,583 | 53,583 |
| 225 | | Subtotal | 597,760,178 | 569,504,317 |
| 226 | Line Taps & Related Equipment | | | |
| 227 | ANITA | 6,259 | 6,259 | 6,259 |
| 228 | ASSINIBOINE | 35,005 | 35,005 | 35,005 |
| 229 | BAKER | 280,629 | 280,629 | 280,629 |
| 230 | CANYON FERRY | 45,210 | 45,210 | 45,210 |
| 231 | CHARLIE CREEK | 1,286,118 | 1,286,118 | 1,286,118 |
| 232 | COTTON | 1,399 | 1,399 | 1,399 |
| 233 | DENBIGH TAP | 848,872 | 848,872 | 848,872 |
| 234 | DICKINSON | 23,704 | 23,704 | 23,704 |
| 235 | E. J. MANNING | 49,112 | 49,112 | 49,112 |
| 236 | EAGLE | 91,230 | 91,230 | 91,230 |
| 237 | FORSYTH | 130,348 | 130,348 | 130,348 |
| 238 | HARLEM | 98,534 | 98,534 | 98,534 |
| 239 | HETTINGER | 10,832 | 10,832 | 10,832 |
| 240 | HIGHWOOD | 22,896 | 22,896 | 22,896 |
| 241 | MALLARD | 29,969 | 29,969 | 29,969 |
| 242 | MALTA | 340,848 | 340,848 | 340,848 |
| 243 | NASHUA SUB | 72,368 | 72,368 | - |
| 244 | O'NEILL SUB (NPP) | 180,660 | 180,660 | 180,660 |
| 245 | PENN TAP | 890,607 | 890,607 | 890,607 |
| 246 | PLEASANT LAKE TAP | 992,415 | 992,415 | 992,415 |
| 247 | POPLAR (MDU) | 3,758 | 3,758 | 3,758 |
| 248 | SHIRLEY TAP | 22,102 | 22,102 | 22,102 |
| 249 | STANLEY | 49,735 | 49,735 | 49,735 |
| 250 | TERRY TAP | 78,497 | 78,497 | - |
| 251 | TERRY TAP | 345,850 | 172,925 | 336,089 |
| 252 | TIBER TAP | 166,306 | 83,153 | 166,306 |
| 253 | VETAL TAP | 232,375 | 232,375 | 232,375 |
| 254 | V. T. HANLON | 5,553 | 5,553 | 5,553 |
| 255 | WM. J. NEAL | 156,417 | 156,417 | 156,417 |
| 256 | YANKTON JCT. | 76,396 | 76,396 | 76,396 |
| 257 | | Subtotal | 6,574,004 | 6,317,926 |
| 258 | O&M Service & Maintenance Centers | | | |
| 259 | ARMOUR O&M SER. CEN. | 3,488,667 | 3,488,667 | 3,488,667 |
| 260 | BISMARCK O&M SER. CEN. | 9,536,492 | 9,536,492 | 9,536,492 |
| 261 | DAWSON SER. CEN. | 3,934,438 | 3,934,438 | 3,934,438 |
| 262 | DEVILS LAKE O&M SER. CEN. | 3,852,064 | 3,852,064 | 3,852,064 |
| 263 | FARGO LINE MAINTENANCE FACILITY | 2,040,287 | 2,040,287 | 2,040,287 |
| 264 | FARGO O&M SER. CEN. | 794,673 | 794,673 | 794,673 |
| 265 | FORT PECK SER. CEN. | 5,626,463 | 5,626,463 | 5,626,463 |
| 266 | FORT THOMPSON O&M S. C. | 315,000 | 315,000 | 315,000 |
| 267 | HAVRE SERVICE CENTER | 249,377 | 249,377 | 249,377 |
| 268 | HURON O&M SER. CEN. | 2,512,836 | 2,512,836 | 2,512,836 |

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| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|----------|---|------------------------|-------------------------------------|-------------------------|
| 269 | JAMESTOWN O&M SER. CEN. | 3,841,398 | 3,841,398 | 3,841,398 |
| 270 | MILES CITY MTCE FAC. | 21,817 | 21,817 | 21,817 |
| 271 | MILES CITY MTCE FAC. | 1,003,437 | 1,003,437 | 1,003,437 |
| 272 | NEW UNDERWOOD SER. CEN. | 96,884 | 96,884 | 96,884 |
| 273 | PHILIP O&M SER. CENT. | 1,701,681 | 1,701,681 | 1,701,681 |
| 274 | PIERRE O&M SER. CEN. | 1,051,383 | 1,051,383 | 1,051,383 |
| 275 | RAPID CITY GARAGE & STOR. | 2,064,165 | 2,064,165 | 2,064,165 |
| 276 | SIOUX CITY O&M SER. CEN. | 3,007,882 | 3,007,882 | 3,007,882 |
| 277 | SIOUX FALLS O&M SER. CEN. | 239,920 | 239,920 | 239,920 |
| 278 | WATERTOWN MAINT. CEN. | 2,496,402 | 2,496,402 | 2,496,402 |
| 279 | Subtotal | 47,875,266 | 47,875,266 | 47,875,266 |
| 280 | Operation Centers | | | |
| 281 | WATERTOWN ALTERNATE OPERATIONS CENTER | 6,128,823 | 3,946,901 | 4,564,134 |
| 282 | WATERTOWN OPERATIONS CENT | 876,775 | 564,634 | 664,798 |
| 283 | WATERTOWN OPER CTR (BFPS) | 11,245,002 | 7,241,669 | 8,524,893 |
| 284 | Subtotal | 18,250,600 | 11,753,204 | 13,753,825 |
| 285 | Mobile Equipment | | | |
| 286 | MOB 115KV SWITCH TRAILER | 12,328 | 12,328 | 12,328 |
| 287 | MOB 115KV SWITCH TRAILER | 57,413 | 57,413 | 57,413 |
| 288 | MOB TRANSF 111KV 15MVA | 213,000 | 213,000 | 213,000 |
| 289 | MOB TRANSF 115KV 10MVA | 76,258 | 76,258 | 76,258 |
| 290 | MOB TRANSF 115KV 10MVA | 142,235 | 142,235 | 142,235 |
| 291 | MOB TRANSF 115KV 25MVA | 556,464 | 556,464 | 556,464 |
| 292 | MOB TRANSF 115KV 40MVA | 499,220 | 499,220 | 499,220 |
| 293 | MOB TRANSF 230KV 1-33MVA | 170,278 | 170,278 | 170,278 |
| 294 | MOBILE BY PASS KIT (BISMARCK) | 35,071 | 35,071 | 35,071 |
| 295 | MOBILE BY PASS KIT (HURON) | 163,695 | 163,695 | 163,695 |
| 296 | MOBILE CAPACITOR BANK | 19,075 | 19,075 | 19,075 |
| 297 | MOBILE SUB 110KV | 127,144 | 127,144 | 127,144 |
| 298 | MOBILE SUB 115KV 20MVA | 404,166 | 404,166 | 404,166 |
| 299 | MOBILE SUB 41.8 KV | 192,498 | 192,498 | 192,498 |
| 300 | MOBILE SUB 69KV | 71,118 | 71,118 | 71,118 |
| 301 | MOB SH.REACTOR | 179,328 | 179,328 | 179,328 |
| 302 | Subtotal | 2,919,291 | 2,919,291 | 2,919,291 |
| 303 | Transmission-Related Generation Facilities | | | |
| 304 | BIG BEND-FORT THOMPSON (LOW VOLTAGE) | 81,944 | 0 | - |
| 305 | CANYON FERRY-EAST HELENA "A" | 141,044 | 0 | - |
| 306 | CANYON FERRY-EAST HELENA "B" | 141,044 | 0 | - |
| 307 | FORT PECK POWERPLANT (COE) | 64,611 | 0 | - |
| 308 | FORT THOMPSON-BIG BEND NO. 1 | 922,164 | 0 | 922,164 |
| 309 | FORT THOMPSON-BIG BEND NO. 2 | 690,735 | 0 | 690,735 |
| 310 | Subtotal | 2,041,542 | 0 | 1,612,899 |
| 311 | Communication Facilities | | | |
| 312 | ATLANTIC COMMUNICATION SITE | 17,199 | 11,571 | 11,571 |
| 313 | BAKER RELAY | 67,969 | 45,730 | 45,730 |
| 314 | BANTRY | 343,131 | 230,859 | 230,859 |
| 315 | BARRETT | 244,695 | 164,631 | 164,631 |
| 316 | BATTLE MT. MICROWAVE | 324,151 | 218,089 | 218,089 |
| 317 | BELLE PRAIRIE | 152,583 | 102,658 | 102,658 |
| 318 | BENEDICT | 36,772 | 24,740 | 24,740 |
| 319 | BEULAH | 10,679 | 7,185 | 7,185 |
| 320 | BIG BEND | 113,362 | 76,270 | 76,270 |
| 321 | BIJOU REPEATER | 585,814 | 394,136 | 394,136 |
| 322 | BISMARCK REPEATER | 248,435 | 167,147 | 167,147 |
| 323 | BISON REPEATER | 227,955 | 153,368 | 153,368 |
| 324 | BOLE NORTH REPEATER | 149,228 | 100,401 | 100,401 |
| 325 | BRINSMADDE | 281,452 | 189,361 | 189,361 |
| 326 | BRISTOL | 11,441 | 7,698 | 7,698 |
| 327 | BRUNSVILLE REPEATER | 92,595 | 62,298 | 62,298 |
| 328 | BUFFALO | 255,051 | 171,598 | 171,598 |
| 329 | CAHOON | 194,709 | 131,000 | 131,000 |
| 330 | CARRINGTON REPEATER | 693,236 | 466,409 | 466,409 |
| 331 | CHARTER OAK REPEATER | 15,667 | 10,541 | 10,541 |
| 332 | CHINOOK (BEFP) | 284,048 | 191,107 | 191,107 |
| 333 | CHINOOK REPEATER | 15,293 | 10,289 | 10,289 |
| 334 | CLARK MW REPEATER | 632,695 | 425,677 | 425,677 |
| 335 | CLEVELAND REPEATER, N.D. | 263,617 | 177,362 | 177,362 |
| 336 | COLEMAN REPEATER | 105,281 | 70,833 | 70,833 |

Western Area Power Administration
Facility Information

| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|----------|-------------------------------------|------------------------|-------------------------------------|-------------------------|
| 337 | COLOME REPEATER | 293,101 | 197,198 | 197,198 |
| 338 | CONRAD BUTTE REPEATER | 455,667 | 306,573 | 306,573 |
| 339 | CRESTON REPEATER | 11,107 | 7,473 | 7,473 |
| 340 | CROW LAKE REPEATER | 311,803 | 209,781 | 209,781 |
| 341 | CROWN BUTTE | 52,565 | 35,366 | 35,366 |
| 342 | CULBERTSON RADIO RELAY SITE | 1,926 | 1,296 | 1,296 |
| 343 | CUSTER LOOKOUT | 80,620 | 54,241 | 54,241 |
| 344 | DALTON (WES) | 198,021 | 133,229 | 133,229 |
| 345 | DEVILS LAKE FIBER REGEN | 273,047 | 183,706 | 183,706 |
| 346 | DEVILS LAKE REPEATER | 502,088 | 337,805 | 337,805 |
| 347 | DODSON REPEATER | 882,795 | 593,944 | 593,944 |
| 348 | DOGDEN BUTTE | 281,286 | 189,249 | 189,249 |
| 349 | DRISCOLL | 79,113 | 53,227 | 53,227 |
| 350 | DUPREE REPEATER | 1,821 | 1,225 | 1,225 |
| 351 | DUTTON REPEATER (BEFP) | 75,190 | 50,588 | 50,588 |
| 352 | EAST RAINY BUTTE | 147,041 | 98,929 | 98,929 |
| 353 | ECKELSON | 231,893 | 156,018 | 156,018 |
| 354 | ELKTON | 165,481 | 111,336 | 111,336 |
| 355 | ELLENDALE REPEATER | 644,579 | 433,673 | 433,673 |
| 356 | ELLSWORTH AIR BASE | 204,548 | 137,620 | 137,620 |
| 357 | ERHARD | 301,774 | 203,034 | 203,034 |
| 358 | EXIRA REPEATER | 2,527 | 1,700 | 1,700 |
| 359 | F. L. BLAIR | 76,407 | 51,407 | 51,407 |
| 360 | FAIRPOINT REPEATER | 339,030 | 228,099 | 228,099 |
| 361 | FALLON REPEATER | 212,944 | 143,269 | 143,269 |
| 362 | FERGUS FALLS COMMUNICATIONS SITE | 485,567 | 326,689 | 326,689 |
| 363 | FLOWING WELLS | 68,763 | 46,264 | 46,264 |
| 364 | FORBES COMMUNICATION SITE | 45,316 | 30,489 | 30,489 |
| 365 | FORT PECK RELAY (WES) | 250,960 | 168,846 | 168,846 |
| 366 | FORT PECK COMMUNICATIONS BUILDING | 380,212 | 255,807 | 255,807 |
| 367 | FORT PECK REPEATER | 109,069 | 73,382 | 73,382 |
| 368 | FORT THOMPSON REPEATER | 99,223 | 66,757 | 66,757 |
| 369 | FORT THOMPSON REPEATER (EAST RIVER) | 301,614 | 202,926 | 202,926 |
| 370 | FOX CREEK MICROWAVE | 423,094 | 284,658 | 284,658 |
| 371 | FRYBURG SUB & MICROWAVE | 61,204 | 41,178 | 41,178 |
| 372 | GARRISON | 267,755 | 180,146 | 180,146 |
| 373 | GARY REPEATER | 80,799 | 54,362 | 54,362 |
| 374 | GAVIN'S POINT | 148,752 | 100,080 | 100,080 |
| 375 | GAVINS POINT REPEATER | 425,943 | 286,574 | 286,574 |
| 376 | GETTYSBURG REPEATER | 368,771 | 248,109 | 248,109 |
| 377 | GLENHAM | 293,701 | 197,602 | 197,602 |
| 378 | GRAND FORKS MINNKOTA (MPC) | 23,847 | 16,044 | 16,044 |
| 379 | HAILSTONE BUTTE | 74,835 | 50,349 | 50,349 |
| 380 | HALLOWAY REPEATER | 109,706 | 73,810 | 73,810 |
| 381 | HARLEM REPEATER | 882,588 | 593,805 | 593,805 |
| 382 | HATHAWAY | 68,891 | 46,350 | 46,350 |
| 383 | HERMOSA MICROWAVE | 302,701 | 203,657 | 203,657 |
| 384 | HIGHLAND REPEATER | 177,964 | 119,734 | 119,734 |
| 385 | HIGHMORE REPEATER | 145,723 | 98,042 | 98,042 |
| 386 | HINSDALE | 201,837 | 135,796 | 135,796 |
| 387 | HINSDALE REPEATER | 66,495 | 44,738 | 44,738 |
| 388 | HOPEWELL REPEATER | 231,172 | 155,533 | 155,533 |
| 389 | HUNTER MICROWAVE | 210,227 | 141,441 | 141,441 |
| 390 | HURON DISTRICT OFFICE | 747,055 | 502,619 | 502,619 |
| 391 | HYSHAM | 90,227 | 60,705 | 60,705 |
| 392 | JAMESTOWN REPEATER | 46,981 | 31,609 | 31,609 |
| 393 | JONES CREEK | 251,034 | 168,896 | 168,896 |
| 394 | KELLY CREEK | 202,226 | 136,058 | 136,058 |
| 395 | KILLDEER REPEATER | 380,028 | 255,683 | 255,683 |
| 396 | KNEE HILL MW | 471,997 | 317,560 | 317,560 |
| 397 | LAC QUI PARLE | 766,404 | 515,637 | 515,637 |
| 398 | LAKE ANDES REPEATER | 641,322 | 431,481 | 431,481 |
| 399 | LEFOR | 48,470 | 32,611 | 32,611 |
| 400 | LINDSAY RIDGE | 79,120 | 53,232 | 53,232 |
| 401 | LINTON COMMUNICATIONS SITE | 339,867 | 228,663 | 228,663 |
| 402 | LITTLE MISSOURI SUBSTATION | 54,516 | 36,678 | 36,678 |
| 403 | LODGEPOLE REPEATER | 186,559 | 125,517 | 125,517 |

Western Area Power Administration
Facility Information

| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|----------|--|------------------------|-------------------------------------|-------------------------|
| 404 | MALTA REPEATER | 793,844 | 534,098 | 534,098 |
| 405 | MANDAN MICROWAVE SITE | 69,988 | 47,088 | 47,088 |
| 406 | MAPLE RIVER | 172,792 | 116,254 | 116,254 |
| 407 | MARTIN REPEATER | 300,728 | 202,330 | 202,330 |
| 408 | MAYVILLE | 196,624 | 132,289 | 132,289 |
| 409 | MIDLAND REPEATER | 516,515 | 347,511 | 347,511 |
| 410 | MILES CITY SUB (BEFP) | 305,418 | 205,485 | 205,485 |
| 411 | MOE REPEATER | 129,266 | 86,970 | 86,970 |
| 412 | MOORHEAD | 251,422 | 169,157 | 169,157 |
| 413 | MORRIS REPEATER & MICROWAVE | 128,242 | 86,281 | 86,281 |
| 414 | NEWCASTLE REPEATER | 216,330 | 145,547 | 145,547 |
| 415 | OAHE | 577,874 | 388,794 | 388,794 |
| 416 | O'KREEK REPEATER | 367,630 | 247,341 | 247,341 |
| 417 | ORCHARD REPEATER | 43,642 | 29,362 | 29,362 |
| 418 | OTO MICROWAVE | 16,445 | 11,064 | 11,064 |
| 419 | OTTUMWA ROAD REPEATER SITE | 7,685 | 5,170 | 5,170 |
| 420 | PAGE N.D. | 1,646 | 1,107 | 1,107 |
| 421 | PAHOJA SUB | 107,003 | 71,992 | 71,992 |
| 422 | PEAK | 83,844 | 56,410 | 56,410 |
| 423 | PHILIP JCT. REPEATER | 530,459 | 356,893 | 356,893 |
| 424 | PINE RIDGE | 187,756 | 126,322 | 126,322 |
| 425 | PRIMGHAR REPEATER | 27,264 | 18,343 | 18,343 |
| 426 | PUKWANNA REPEATER | 258,360 | 173,825 | 173,825 |
| 427 | RAPID CITY REPEATER | 340,932 | 229,379 | 229,379 |
| 428 | RICHARDSON COULEE | 161,748 | 108,824 | 108,824 |
| 429 | RICHARDSON COULEE REPEATER | 166,315 | 111,897 | 111,897 |
| 430 | RICHLAND MW REPEATER (BEPS) | 416,774 | 280,406 | 280,406 |
| 431 | ROCKY RIDGE REPEATER | 226,934 | 152,681 | 152,681 |
| 432 | ROLLAG | 172,922 | 116,342 | 116,342 |
| 433 | RUGBY REPEATER | 276,659 | 186,136 | 186,136 |
| 434 | RUTLAND | 388,869 | 261,631 | 261,631 |
| 435 | SACO | 1,237 | 832 | 832 |
| 436 | SENTINEL BUTTE | 87,667 | 58,982 | 58,982 |
| 437 | SHEEP COULEE REPEATER | 475,744 | 320,081 | 320,081 |
| 438 | SIOUX CITY REPEATER | 546,252 | 367,518 | 367,518 |
| 439 | SIOUX FALLS REPEATER | 330,718 | 222,507 | 222,507 |
| 440 | SIOUX PASS | 1,366 | 919 | 919 |
| 441 | SNAKE BUTTE REPEATER | 670,911 | 451,389 | 451,389 |
| 442 | SPALDING REPEATER | 359,680 | 241,993 | 241,993 |
| 443 | SPIRIT MOUND | 295,983 | 199,137 | 199,137 |
| 444 | STRASBERG | 1,853 | 1,247 | 1,247 |
| 445 | SUMMIT REPEATER | 50,053 | 33,676 | 33,676 |
| 446 | TAPPEN COMMUNICATIONS SITE | 291,767 | 196,301 | 196,301 |
| 447 | TAPPEN REPEATER | 272,393 | 183,266 | 183,266 |
| 448 | TENNANT COMMUNICATIONS SITE | 8,781.54 | 5,909 | 5,909 |
| 449 | TORONTO REPEATER | 106,096 | 71,381 | 71,381 |
| 450 | TRIPP REPEATER | 114,817 | 77,249 | 77,249 |
| 451 | TURKEY RIDGE REPEATER | 639,485 | 430,246 | 430,246 |
| 452 | TYLER REPEATER | 463,186 | 311,632 | 311,632 |
| 453 | VICTOR (EREC) | 35,530 | 23,905 | 23,905 |
| 454 | VIDA | 98,597 | 66,336 | 66,336 |
| 455 | WALL REPEATER | 479,343 | 322,502 | 322,502 |
| 456 | WATERTOWN REPEATER | 713,148 | 479,806 | 479,806 |
| 457 | WAYSIDE | 17,781 | 11,963 | 11,963 |
| 458 | WESSINGTON SPGS. REPEATER | 624,746 | 420,329 | 420,329 |
| 459 | WESTFIELD | 19,003 | 12,785 | 12,785 |
| 460 | WHITE SWAN | 116,529 | 78,401 | 78,401 |
| 461 | WHITLOCK (BCPS) | 165,594 | 111,412 | 111,412 |
| 462 | WOLBACH REPEATER | 28,280 | 19,027 | 19,027 |
| 463 | YELLOWTAIL SWITCHYARD (BEPS) | 223,367 | 150,281 | 150,281 |
| 464 | Subtotal | 36,487,805 | 24,549,002 | 24,549,002 |
| 465 | Miles City Converter Station | | | |
| 466 | MILES CITY CONVERTER STATION - BEPS | 20,992,954 | 20,992,954 | 20,992,954 |
| 467 | MILES CITY CONVERTER STATION - BEFP | 2,754,262 | 2,754,262 | 2,754,262 |
| 468 | Subtotal | 23,747,216 | 23,747,216 | 23,747,216 |
| 469 | | | | |
| 470 | BUFORD TRENTON TAP - BUFORD TRENTON P.P. | 650,001 | 0 | - |

Western Area Power Administration
Facility Information

| Line No. | DESCRIPTION | FY2015 EST IS TOTAL \$ | FY2015 EST IS TRANSMISSION TOTAL \$ | FY2015 EST SPP TOTAL \$ |
|--------------------------------|--|------------------------|-------------------------------------|-------------------------|
| Distribution Facilities | | | | |
| 471 | BUFORD TRENTON PUMP SUB | 184,827 | 0 | - |
| 472 | FALLON PUMPING PLANT SUBS | 223,594 | 0 | - |
| 473 | FALLON RELIFT PUMPING PLA | 171,257 | 0 | - |
| 474 | FALLON-GLENDIVE PUMP #4 | 25,506 | 0 | - |
| 475 | FORT PECK-WOLF POINT | 190,500 | 0 | - |
| 476 | FRAZER PUMP SUB | 253,597 | 0 | - |
| 477 | GARRISON-SNAKE CREEK | 1,103,389 | 0 | - |
| 478 | GLENDIVE P.P. #1 SUB. | 425,706 | 0 | - |
| 479 | INTAKE SUBSTATION | 108,040 | 0 | - |
| 480 | INTAKE-INTAKE PUMP | 6,494 | 0 | - |
| 481 | SAVAGE PUMPING PLANT SUBS | 102,283 | 0 | - |
| 482 | SHIRLEY PUMP SUBSTATION | 127,053 | 0 | - |
| 483 | SNAKE CREEK PUMP SUBSTATI | 920,941 | 0 | - |
| 484 | TERRY PUMPING PLANT SWITC | 474,404 | 0 | - |
| 485 | TIBER DAM SUBSTATION | 318,568 | 0 | - |
| 486 | WIOTA SUBSTATION | 216,163 | 0 | - |
| 487 | Subtotal Distribution Facilities | 5,502,323 | 0 | - |
| 488 | Subtotal Upper Great Plains Region Facilities | 1,240,145,744 | 1,185,653,748 | 1,182,156,463 |
| 489 | Rocky Mountain Region Facilities | | | |
| 490 | NEW UNDERWOOD-STEGALL | 287,835 | 287,835 | 287,835 |
| 491 | STEGALL SUBSTATION | 9,012,715 | 302,609 | 302,609 |
| 492 | STEGALL-WAYSIDE | 2,978,205 | 2,978,205 | 2,978,205 |
| 493 | YELLOWTAIL SWITCHYARD | 12,460,207 | 3,115,052 | 3,115,052 |
| 494 | | 24,738,962 | 6,683,701 | 6,683,701 |
| 495 | Corps of Engineers Facilities | | | |
| 496 | CORPS SWITCHYARD FACILITIES | 117,064,975 | 95,961,170 | 95,961,170 |
| 497 | | 117,064,975 | 95,961,170 | 95,961,170 |
| 498 | TOTAL FACILITIES | 1,381,949,681 | 1,288,298,612 | 1,284,801,334 |

Appendix C - Proposed Formula Transmission Revenue Requirement Template

| Western Area Power Administration Revenue Requirement - Non-Levelized Utilizing Financial Statement Results of Operations 12 Months Ending 09/30/2015 ESTIMATE | | | | | |
|---|---|---------------|-----------|---------|-------------------------------|
| Line No. | REFERENCE | COMPANY TOTAL | ALLOCATOR | (4) | TRANSMISSION ALLOCATED AMOUNT |
| (1) | (2) | (3) | | | (5) |
| 1 | GROSS REVENUE REQUIREMENT | | | | \$ 140,624,962 |
| | REVENUE CREDITS | | | | |
| 2 | Short-Term Firm Point-to-Point Transmission Service Credit | 36,446 | NA | 1.00000 | 36,446 |
| 3 | Non-Firm Point-to-Point Transmission Service Credit | 1,477,725 | NA | 1.00000 | 1,477,725 |
| 4 | Revenue from Existing Transmission Agreements | 631,106 | NA | 1.00000 | 631,106 |
| 5 | Scheduling, System Control, and Dispatch Service Credit | 11,942,735 | NA | 1.00000 | 11,942,735 |
| 6 | Account No. 454 | 79,030 | TP | 1.00000 | 79,030 |
| 7 | Account No. 456 | 0 | TP | 1.00000 | 0 |
| 8 | TOTAL REVENUE CREDITS | | | | 14,167,042 |
| 9 | PRIOR PERIOD TRUE-UP (Over-collection) | | | | \$ (352,586) |
| 10 | NET REVENUE REQUIREMENT | | | | \$ 126,105,334 |
| RATE BASE: | | | | | |
| | GROSS PLANT IN SERVICE | | | | (Col 3 times Col 4) |
| 11 | Production | 1,055,845,888 | NA | | |
| 12 | Transmission | 1,284,801,334 | TP | 1.00000 | 1,284,801,334 |
| 13 | Distribution | 37,251,882 | NA | | |
| | Bal Sheet - Other Assets - SGL 175002 | 0 | W/S | 1.00000 | 0 |
| 14 | General & Intangible Common | 0 | CE | 0.00000 | 0 |
| 16 | TOTAL GROSS PLANT | 2,377,899,104 | GP= | 54.031% | 1,284,801,334 |
| ACCUMULATED DEPRECIATION | | | | | |
| 17 | Production | 552,603,594 | NA | | |
| 18 | Transmission | 636,176,456 | TP | 1.00000 | 636,176,456 |
| 19 | Distribution | 16,075,822 | NA | | |
| | Bal Sheet - Other Assets - SGL 175902 | 0 | W/S | 1.00000 | 0 |
| 21 | General & Intangible Common | 0 | CE | 0.00000 | 0 |
| 22 | TOTAL ACCUM. DEPRECIATION | 1,204,855,872 | | | 636,176,456 |
| NET PLANT IN SERVICE | | | | | |
| 23 | Production | 503,242,294 | | | |
| 24 | Transmission | 648,624,878 | | | 648,624,878 |
| 25 | Distribution | 21,176,060 | | | |
| 26 | General & Intangible Common | 0 | | | 0 |
| 27 | Common | 0 | | | 0 |
| 28 | TOTAL NET PLANT | 1,173,043,232 | NP= | 55.294% | 648,624,878 |
| ADJUSTMENTS TO RATE BASE | | | | | |
| 29 | Account No. 281 | 0 | | 0.00000 | 0 |
| 30 | Account No. 282 | 0 | NP | 0.55294 | 0 |
| 31 | Account No. 283 | 0 | NP | 0.55294 | 0 |
| 32 | Account No. 190 | 0 | NP | 0.55294 | 0 |
| 33 | Account No. 255 | 0 | NP | 0.55294 | 0 |
| 34 | TOTAL ADJUSTMENTS | 0 | | | 0 |
| 35 | LAND HELD FOR FUTURE USE | 0 | TP | 1.00000 | 0 |
| WORKING CAPITAL | | | | | |
| 36 | CWC | 21,342,941 | | | 0 |
| | Bal Sheet - Other Assets - SGL 151191 (Note C) | 0 | TE | 0.00000 | 0 |
| 37 | Materials & Supplies | 0 | GP | 0.54031 | 0 |
| 38 | Prepayments | 0 | | | 0 |
| 39 | TOTAL WORKING CAPITAL | 21,342,941 | | | 0 |
| 40 | RATE BASE | 1,194,386,173 | | | 648,624,878 |
| O&M | | | | | |
| 41 | Transmission | | | | |
| | Western-UGP | 59,018,464 | PTP/UGP | 0.95324 | 56,258,761 |
| 42 | Western-RMR | 28,761,482 | PTP/RMR | 0.00932 | 268,057 |
| 43 | COE | 51,423,384 | PTP/COE | 0.08484 | 4,362,760 |
| 44 | Less Account 565 | 0 | NA | 1.00000 | 0 |
| A&G | | | | | |
| 45 | Western-UGP | 21,256,002 | PTP/UGP | 0.95324 | 20,262,071 |
| 46 | Western-RMR | 10,284,196 | PTP/RMR | 0.00932 | 95,849 |
| 47 | Less FERC Annual Fees | 0 | W/S | 1.00000 | 0 |
| 48 | Less EPRI & Reg. Comm. Exp. & Non-safety Ad | 0 | W/S | 1.00000 | 0 |
| 49 | Plus Transmission Related Reg. Comm. Exp | 0 | TE | 0.00000 | 0 |
| 50 | Common | 0 | CE | 0.00000 | 0 |
| 51 | Transmission Lease Payments | 0 | NA | 1.00000 | 0 |
| 52 | TOTAL O&M | 170,743,528 | | | 81,247,498 |
| DEPRECIATION EXPENSE | | | | | |
| 53 | Transmission | | | | |
| 54 | Western-UGP | 29,194,250 | PTP/UGP | 0.95324 | 27,829,127 |
| 55 | Western-RMR | 20,038,251 | PTP/RMR | 0.00932 | 186,756 |
| 56 | COE | 10,327,814 | PTP/COE | 0.08484 | 876,212 |
| 57 | General | 0 | W/S | 1.00000 | 0 |
| 58 | Common | 0 | CE | 0.00000 | 0 |
| 59 | TOTAL DEPRECIATION | 59,560,315 | | | 28,892,095 |
| TAXES OTHER THAN INCOME TAXES | | | | | |
| LABOR RELATED | | | | | |
| 60 | Payroll | 0 | W/S | 1.00000 | 0 |
| 61 | Highway and vehicle | 0 | W/S | 1.00000 | 0 |
| PLANT RELATED | | | | | |
| 62 | Property | 0 | GP | 0.54031 | 0 |
| 63 | Gross Receipts | 0 | | 0.00000 | 0 |
| 64 | Other | 0 | GP | 0.54031 | 0 |
| 65 | Payments in lieu of taxes | 0 | GP | 0.54031 | 0 |
| 66 | TOTAL OTHER TAXES | 0 | | | 0 |
| INCOME TAXES | | | | | |
| 67 | $T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$ | 0.00% | NA | | |
| 68 | $CIT = (T/1-T) * (1 - WCLTD/R) =$ where WCLTD= (line 106) and R= (line 108) and FIT, SIT & p are as given in footnote 1. | 0.00% | | | |
| 69 | $1 / (1 - T) =$ (from line 67) | 0.0000 | | | |
| 70 | Amortized Investment Tax Credit | 0 | | | 0 |



Continue - Proposed Formula Transmission Revenue Requirement Template

| | | | | | | | |
|--|--|--------------------------------|---------------|---|-----------------------|---------------------------------|---------------------------------|
| 71 | Income Tax Calculation | (line 68 * line 74) | | d | NA | | 0 |
| 72 | ITC adjustment | (line 69 * line 70) | | d | NP | 0.55294 | 0 |
| 73 | Total Income Taxes | (line 71 + line 72) | | d | | | 0 |
| 74 | RETURN [Rate Base * Rate of Return] | (line 40 * line 105) | 56,136,150 | | NA | | 30,485,369 |
| 75 | REV. REQUIREMENT | (sum lines 52, 59, 66, 73, 74) | 286,439,993 | | | | 140,624,962 |
| SUPPORTING CALCULATIONS AND NOTES | | | | | | | |
| TRANSMISSION PLANT INCLUDED IN UMZ RATES | | | | | | | |
| 76 | Total transmission plant | (line 12, column 3) | | | | | 1,284,801,334 |
| 77 | Less transmission plant excluded from UMZ rates | (Note K) | | | | | 0 |
| 78 | Less transmission plant included in OATT Ancillary Services | (Note L) | | | | | 0 |
| 79 | Transmission plant included in UMZ rates | (line 76 less line 77 and 78) | | | | | 1,284,801,334 |
| 80 | Percentage of transmission plant included in UMZ Rates | (line 79 / line 76) | | | TP= | | 1.00000 |
| TRANSMISSION EXPENSES | | | | | | | |
| 81 | Total transmission expenses | (sum lines 41 to 43, column 3) | | | | | 0 |
| 82 | Less transmission expenses included in OATT Ancillary Services | (Note J) | | | | | 0 |
| 83 | Included transmission expenses | (line 81 - line 82) | | | | | 0 |
| 84 | Percentage of transmission expenses after adjustment (line 8 divi | (line 83/ line 81) | | | | | 0.00000 |
| 85 | Percentage of transmission plant included in UMZ Rates | (line 80) | | | TP | | 1.00000 |
| 86 | Percentage of transmission expenses included in UMZ Rates | (line 85 * line 84) | | | TE= | | 0.00000 |
| WAGES & SALARY ALLOCATOR (W&S) | | | | | | | |
| 87 | Production | | \$ | | TP | Allocation | |
| 88 | Transmission | | | | | | |
| 89 | Distribution | | | | | | |
| 90 | Other | | | | | | W&S Allocator (\$ / Allocation) |
| 91 | Total | (sum lines 87 to 90) | 18,621,930 | | | 18,621,930 = | 1.00000 |
| PERCENTAGE OF TOTAL PLANT ALLOCATOR PTP | | | | | | | |
| 92 | Transmission Plant in Service Western-UGP | | \$ | | | | |
| 93 | Total Plant in Service Western-UGP | | 1,182,156,463 | | | | |
| 94 | UGP Percentage of Transmission Plant to Total Plant | (line 92 / line 93) | 1,240,145,744 | | | PTP/UGP = | 0.95324 |
| 95 | Transmission Plant in Service Western-RMR | | 6,683,701 | | | | |
| 96 | Total Plant in Service Western-RMR | | 717,311,409 | | | | |
| 97 | RMR Percentage of Transmission Plant to Total Plant | (line 95 / line 96) | | | | PTP/RMR = | 0.00932 |
| 98 | Transmission Plant in Service COE | | 95,961,170 | | | | |
| 99 | Total Plant in Service COE | | 1,131,069,659 | | | | |
| 100 | COE Percentage of Transmission Plant to Total Plant | (line 98 / line 99) | | | | PTP/COE = | 0.08484 |
| COMMON PLANT ALLOCATOR (CE) | | | | | | | |
| 101 | Electric | | \$ | | % Electric | Labor Ratio = | 0.00000 |
| 102 | Gas | | 0 | | (line 101 / line 104) | (line 91) | |
| 103 | Water | | 0 | | 0.00000 * | | 1.00000 |
| 104 | Total | (sum lines 101 to 103) | 0 | | | | |
| RETURN (R) | | | | | | | |
| 105 | Long Term Interest Schedule 5 | | \$ | | | | |
| | | | 41,212,541 | | | | =WCLTD |
| HFD Sch's 21RX & 21X Col 8 Lines | | | | | | | |
| 106 | Long Term Debt | 23,25,26,29,30 | \$ | | % | (Note O) | Weighted |
| 107 | Proprietary Capital | | 876,196,292 | 100% | 0.0470 | | 0.0470 -R |
| 108 | Total (sum lines 31-32) | (sum lines 106 to 107) | 0 | 0% | 0.1238 | | 0.0000 |
| 109 | | | 876,196,292 | 100% | | Proprietary Capital Cost Rate = | 0.0470 |
| 110 | | | | | | TIER = | 12.38% |
| REVENUE CREDITS | | | | | | | |
| ACCOUNT 447 (SALES FOR RESALE) | | | | | | | |
| 111 | a. Bundled Non-RQ Sales for Resale | (Note P) | | | | | 0 |
| 112 | b. Bundled Sales for Resale included in Divisor on page 1 | | | | | | 0 |
| 113 | Total of (a)-(b) | | | | | | 0 |
| 114 | ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) | (Note Q) | | | | | 79,031 |
| 115 | ACCOUNT 456 (OTHER ELECTRIC REVENUES) | | | | | | 0 |
| 116 | a. Transmission charges for all transmission transactions | | | | | | 0 |
| 117 | b. Transmission charges for all transmission transactions included in Divisor on page 1 | | | | | | 0 |
| 118 | Total of (a)-(b) | | | | | | 0 |
| Letter | General Note: References to Results of Operations in this revenue requirement template indicate the Financial Statement Results of Operations (ROOs) Schedule where data is located. To the extent the references to ROOs data are missing, the entity will include a "Notes" section to provide this data. | | | | | | |
| A | Combines plant data for both the Western-Upper Great Plains Region (Western-UGP) and Western-Rocky Mountain Region (Western-RMR). | | | | | | |
| B | Does not apply to Western. For others, the balances in Accounts 190, 281, 282 and 283, as adjusted by any contra accounts identified as regulatory assets amounts in or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated. | | | | | | |
| C | Transmission related only. | | | | | | |
| D | Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at line 52 column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported in the Other Assets Section of the Balance Sheet. | | | | | | |
| E | For O&M Expense, Calculated as Total O&M from Results of Operations less Purchase Power, Transmission Service Provided by Others (FERC 565), O&M Expense Fort Peck Powerhouse, Prior Year Adjustments, A&G Expense from Schedule 11, plus CME and Warehouse Interest from Schedule 5. Depreciation Expense from Results of Operations Schedule 4. | | | | | | |
| F | Totals of Results of Operations Schedule 11A Object Classes 1411, 1412, 1415, 1416, 1421, 1422, 1425, 1426, 1431, 1432, 1441, 1442. | | | | | | |
| G | Line 48 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising. Line 49 - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting. | | | | | | |
| H | Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere. | | | | | | |
| I | Western is not subject to Federal or State Income Tax. | | | | | | |
| | Inputs Required: | FIT = | 0.00% | | | | |
| | | SIT= | 0.00% | (State Income Tax Rate or Composite SIT) | | | |
| | | p = | 0.00% | (percent of federal income tax deductible for state purposes) Removes | | | |
| J | dollar amount of transmission expenses included in the OATT ancillary services rates, including Act No. 561. Western does not include transmission expenses in ancillary service rates. Removes | | | | | | |
| K | transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until RUS 12 balances are adjusted to reflect application of seven-factor test). | | | | | | |
| L | Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down. | | | | | | |
| M | Percentage of Total Plant Allocators are developed separately for Western-UGP and Western-RMR to allocate O&M, A&G, and Depreciation Expenses between Transmission and Generation. | | | | | | |
| N | Western does not have Common Plant. | | | | | | |
| O | Debt cost rate = long-term interest (line 105) / long term debt (line 106). The Proprietary Capital Cost rate is implicit, a residual calculation after TIER is determined. TIER will be supported in the filing and no change in TIER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction. | | | | | | |
| P | Line 111 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456 and all other uses are to be included in the divisor. | | | | | | |
| Q | Includes income related only to transmission facilities, such as pole attachments, rentals and special use. | | | | | | |
| R | The revenues credited in lines 2-5 shall include only the amounts received directly reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Revenue Requirement Template. | | | | | | |

Appendix D - Proposed Scheduling, System Control & Dispatch Service Revenue Requirement

(December 16, 2014 update: The table below is modified to add the last two rows (Line Nos. 12-13), which reflect the subtraction of the estimated SSCD revenue from non-transmission related facilities to obtain Western-UGP's annual SSCD revenue requirement for the transmission facilities in the SPP Transmission System. Also, the formula reference in Line No. 11 is corrected.)

| Western Area Power Administration Determination of Pick-Sloan Missouri Basin Program, Eastern Division Annual Costs | | | |
|---|---|---------------------|--|
| Line No. | DESCRIPTION (1) | SSCD (4) | REFERENCE (5) |
| 1 | A. Operation and Maintenance Expense | \$11,190,489 | O&M Expenses Worksheet |
| 2 | B. A&G Expense | \$207,246 | A&G Expenses Worksheet |
| 3 | C. Depreciation Expense | \$267,582 | Depreciation Expense Worksheet |
| 4 | D. Taxes Other than Income Taxes for Transmission | \$0 | Not Applicable |
| 5 | E. Allocation of General Plant | \$0 | No General Plant identified at this time, all plant is identified as either generation or transmission related |
| 6 | F. Cost of Capital | | |
| 7 | Weighted Transmission Composite Interest Rate | 4.592% | Cost of Capital Worksheet |
| 8 | Net Plant Investment | \$6,041,328 | |
| 9 | Cost of Capital | \$277,418 | L7*L8 |
| 10 | H. Revenue Requirement | | |
| 11 | Annual Western-UGPR Cost | \$11,942,735 | L1+L2+L3+L9 |
| 12 | Estimated SSCD Revenue from non-Transmission facilities | \$558,442 | |
| 13 | Revenue Requirement for SSCD for Transmission facilities | \$11,384,293 | L11 – L12 |

Appendix E - Proposed Formula Rate for Regulation & Frequency Response Service

(December 16, 2014 update: The table below is modified in Line Nos. 8-10 to reflect that the Regulation Charge values were provided for reference and comparison purposes only.)

| Western Area Power Administration - Upper Great Plains Region Rate for Regulation and Frequency Response | | | |
|---|--|--------------------------------------|-----------|
| Line No. | DESCRIPTION | REGULATION and FREQUENCY RESPONSE | REFERENCE |
| 1 | Western Regulation Revenue Requirement | \$286,476 | (1) |
| 2 | Under Collection - 2013 Regulation Revenue Rqmt | \$251,842 | (2) |
| 3 | Average WAUW Control Area Load in 2013 | 109,250 | |
| 4 | Average Total Control Area(s) Load in 2013 True-up | 3,512,000 | (3) |
| 5 | Ratio WAUW Control Area to Total Control Area(s) | 0.0311 | L3 / L4 |
| 6 | Under Collection - 2013 WAUW Regulation Revenue Rqmt | \$7,832 | L2 * L5 |
| 7 | Total Regulation Revenue Rqmt with True-up | 294,308 | L1 + L6 |
| 8 | Load in WAUW Control Area (kW-Yr) * | 109,250 | |
| 9 | Regulation Charge (\$/kW-Yr) * | \$2.69 | L7 / L8 |
| 10 | Regulation Charge (\$/kW-Mo) * | \$0.22 | |
| | * Provided for reference and comparison purposes only. | | |
| (1) | Regulation and Frequency Response Service from "Regulation and Frequency Response for 2015, Western's Costs". | | |
| (2) | Over/Under Collection "True-up of Regulation and Frequency Response Rate for 2013" | | |
| (3) | Average of monthly peaks for 2013 Control Area(s). | | |
| | Regulation and Frequency Response (Western's Costs) | | |
| 11 | Fixed Charge Rate | 18.033% | (4) |
| 12 | Corps Generation Net Plant Costs (\$) | \$ 448,203,339 | (5) |
| 13 | Annual Corps Generation Cost (\$) | \$ 80,824,508 | L1*L2 |
| 14 | Plant Capacity (kW) | 2,500,000 | |
| 15 | Cost/kW (\$/kW) | \$ 32.33 | L3/L4 |
| 16 | Capacity Used for Regulation (kW) | 8,861 | |
| 17 | Regulation Revenue Requirement (\$) - Capacity | \$286,476 | |
| 18 | Regulation Revenue Requirement (\$) - Purchases | \$0 | (6) |
| 19 | Total Regulation Revenue Requirement (\$) | \$286,476 | |
| (4) | Determination of Pick-Sloan Missouri Basin Program, Eastern Division Annual Corps Revenue Requirement for 2015 Rate. | | |
| (5) | Corps Generation Net Plant is Total Electric Plant in Service less less Depreciation Reserve as of 9/30/13. | | |
| (6) | Cost of Purchases Required to Regulate for Intermittent Resources. | | |

Continued - Proposed Formula Rate for Regulation & Frequency Response Service

| Western Area Power Administration - Upper Great Plains Region | | | |
|---|---|-----------------------------------|-----------|
| Rate for Regulation and Frequency Response | | | |
| Line No. | DESCRIPTION | REGULATION and FREQUENCY RESPONSE | REFERENCE |
| | True-up of Regulation and Frequency Response | | |
| 20 | 2013 Western Rate Regulation Service Revenue Req'm't | \$1,813,770 | (7) |
| 21 | 2013 Western Actual Regulation Service Revenue | \$2,281,549 | (8) |
| 22 | Under Collection of Revenue Requirement | (\$467,779) | |
| 23 | 2013 Rate Load in Control Area(s) (kW-Yr) | 3,150,000 | (9) |
| 24 | 2013 Actual Load in Control Area(s)(kW-Yr) | 3,512,000 | (10) |
| 25 | Difference 2013 Rate Load to 2013 Actual Load | (362,000) | |
| 26 | Under collection of revenue requirement | (\$467,779) | |
| 27 | Over collection due to volume | \$208,440 | |
| 28 | Net Under Collection | (\$251,842) | |
| (7) | Regulation Service Revenue Requirement from "Rate for Regulation and Frequency Response for 2013". | | |
| (8) | Regulation Service Revenue Requirement from "Rate for Regulation and Frequency Response for 2015". | | |
| (9) | Regulation Service Revenue Requirement from "Rate for Regulation and Frequency Response for 2013". | | |
| (10) | Regulation Service Revenue Requirement from "Rate for Regulation and Frequency Response for 2015". | | |
| | Rate for Regulation and Frequency Response | 2013 | |
| 29 | Western Regulation Revenue Requirement | \$1,813,770 | (11) |
| 30 | Load in Control Area(s) (kW-Yr) | 3,150,000 | (12) |
| 31 | Western's Regulation Charge (\$/kW-Yr) | \$0.58 | |
| 32 | Western's Regulation Charge (\$/kW-Mo) | \$0.05 | |
| (11) | Regulation and Frequency Response Service from "Regulation and Frequency Response for 2013, Western's Costs". | | |
| (12) | Average of Monthly Load Peaks in Control Area(s) in 2013 | | |

Appendix F - Proposed Rates for Operating Reserves Service – Spinning & Supplemental

(December 16, 2014 update: The table below is modified in Line Nos. 11-12 to reflect that the Reserves Charge values were provided for reference and comparison purposes only.)

| Western Area Power Administration - Upper Great Plains Region Rate for Reserves | | | |
|--|--|-------------------|------------------|
| Line No. | DESCRIPTION | RESERVES | REFERENCE |
| 1 | Fixed Charge Rate | 18.033% | |
| 2 | Corps Generation Net Plant Costs (\$) | \$ 448,203,339 | |
| 3 | Annual Corps Generation Cost (\$) | \$ 80,824,508 | L1*L2 |
| 4 | Plant Capacity (kW) | 2,500,000 | |
| 5 | Cost/kW (\$/kW-Yr) | \$ 32.33 | L3/L4 |
| 6 | Monthly Charge (\$/kW-mo) | \$ 2.69 | |
| 7 | Western's Maximum Load in WAUW Control Area (kW) | 142,000 | |
| 8 | Maximum Generation in WAUW Control Area (kW) | 97,500 | |
| 9 | Capacity used for Reserves (kW) -- 3% Load + 3% Gen | 7,185 | L7*3% + L8*3% |
| 10 | Annual Reserves Revenue Requirement | \$ 232,291 | L9*L5 |
| 11 | Annual Charge (\$/kW-Yr) * | \$ 0.97 | L10/(L7 + L8) |
| 12 | Monthly Charge (\$/kW-mo) * | \$ 0.08 | |
| | * Provided for reference and comparison purposes only. | | |
| (1) | Determination of Pick-Sloan Missouri Basin Program, Eastern Division Annual Generation Revenue Requirement for 2015 Rate. | | |
| (2) | Generation Net Plant Costs include the total Corps Generation Plant-in-Service less total Corps Generation Plant depreciation. | | |
| (3) | WAUW load monthly peaks for 2013. | | |
| (4) | Northwest Power Pool Reserve Sharing System. | | |