



Western Area Power Administration

Customer Rate Brochure

**Proposed Formula Rates for
Transmission, Energy and Generator
Imbalance, and Losses Services
for use under the
Western Energy Imbalance Service Market**

Rate Order No. WAPA-197

April 2021

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Materials Posted on Web site

<https://www.wapa.gov/regions/RM/rates/Pages/2021-Long-Term-Rates---WEIS-Market.aspx>

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I. Introduction

Background for Minor Rate Adjustment

The current rates for short-term sales for Rocky Mountain Region (RMR) to use under the Western Energy Imbalance Service (WEIS) Market, under new rate schedule L-NFJDT (joint dispatch) and superseded rate schedules L-AS4 (energy imbalance), L-AS9 (generator imbalance), and L-AS7 (BA real power losses), became effective February 1, 2021, and will expire September 30, 2021.

Under Rate Order No. WAPA-197, RMR proposes to convert the rates for short-term sales for use under the WEIS Market to new long-term formula rates for a 3-year period effective October 1, 2021, through September 30, 2024. No changes are being proposed to the existing rates.

Under a separate rate extension process, Rate Order No. WAPA-196, RMR is proposing to extend the remaining 5-year transmission and ancillary services formula rates under rate schedules L-NT1 (network), L-FPT1 (firm point-to-point), L-NFPT1 (non-firm point-to-point), L-UU1 (unreserved use), L-AS1 (scheduling and dispatch), L-AS2 (reactive supply and voltage control (VAR support)), L-AS3 (regulation), L-AS5 (spinning reserves), and L-AS6 (supplemental reserves) for this same 3-year period.

These two rate actions will put all the necessary transmission, losses, and ancillary services rates in place for a 3-year period effective October 1, 2021, through September 30, 2024. This 3-year period will allow RMR time to refine the WEIS Market implementation and investigate the potential expansion of and participation in the Southwest Power Pool (SPP) Regional Transmission Organization (RTO) in the Western Interconnection (Nov. 12, 2020, Western Area Power Administration (WAPA) notified SPP that Upper Great Plains and RMR intend to consider participation in an RTO). The expansion of the SPP RTO would have significant impacts on the above rate methodologies. Putting rates in place for the next 3 years will also allow time for RMR to discuss and evaluate what changes would need to be made to the rate methodologies before conducting a major rate adjustment process and putting all the necessary formula rates in place for a new 5-year period that would begin on October 1, 2024.

Rates History

On March 9, 2017, the Federal Energy Regulatory Commission (FERC) approved and confirmed Loveland Area Project (LAP) transmission and LAP, Western Area Colorado Missouri (WACM), and Colorado River Storage Project (CRSP) ancillary services formula rates under Rate Schedules L-NT1 (network), L-FPT1 (firm point-to-point), L-NFPT1 (non-firm point-to-point), L-UU1 (unreserved use), L-AS1 (scheduling and dispatch), L-AS2 (VAR support), L-AS3 (regulation), L-AS4 (energy imbalance), L-AS5 (spinning reserves), L-AS6 (supplemental reserves), L-AS7 (transmission losses), and L-AS9 (generator imbalance) under Rate Order No. WAPA-174 for a 5-year period through September 30,

2021.¹ On December 29, 2020, WAPA's Administrator approved rates for short-term sales for RMR to use under the WEIS Market, which superseded the previously approved Rate Schedules L-AS4 (energy imbalance), L-AS9 (generator imbalance), and L-AS7 (transmission losses) and created a new Rate Schedule, L-NFJDT (joint dispatch transmission), for the 8-month period February 1, 2021, through September 30, 2021.²

¹ Order Confirming and Approving Rate Schedules on a Final Basis, FERC Docket Nos. EF16-5-000 and EF16-5-001, 158 FERC ¶ 62,181 (2017).

² See <https://www.wapa.gov/regions/RM/rates/Pages/2021-Rates-for-Short-Term-Sales.aspx>.

II. Proposed Schedule

April 21, 2021	Publication of Federal Register Notice (FRN) with Proposed Formula Rates (Begins 30-day comment period)
April 21, 2021	Mail/Email Customer notification letters with a copy of the published FRN
May 20, 2021	End 30-day Comment Period
NLT September 1, 2021	Publication of FRN with Final Formula Rates
October 1, 2021	New Long-Term Formula Rates in Effect
TBD	FERC's Final Approval of the Formula Rates

RMR is not holding public information or comment periods for this minor rate process considering no changes to the formula rates are being proposed.

Customers are welcome to submit written comments during the 30-day comment period to RMR's e-mail address for this rate adjustment: LAPtransadj@wapa.gov

III. Proposed Formula Rates

LAP Joint Dispatch Transmission Service (JDTS) (Rate Schedule L-NFJDT)

Per Schedule 8R of Addendum 2 to Attachment R of WAPA's Open Access Transmission Tariff (OATT), Joint Dispatch Service (JDTS) is intra hour non-firm transmission service, as available, across certain transmission facilities of RMR which is used to transmit energy dispatched pursuant to the provisions of the WEIS Tariff. WAPA incorporated this service into its OATT for the LAP Transmission Service Provider (TSP) to offer this service when participating in the WEIS Market. LAP transmission customers shall compensate the LAP TSP (LAPT) for JDTS pursuant to the rate schedule.

Under Rate Schedule L-NFJDT, the hourly formula rate is \$0.00/MWh on- and off-peak.

Energy and Generator Imbalance Services (Rate Schedules L-AS4 and L-AS9)

RMR offers Energy and Generator Imbalance Services under Addendums 1 and 3 to Attachment R of WAPA's OATT; Ancillary Services and Losses Business Practices for LAPT and Colorado River Colorado Missouri (CRCM) transmission service, and WACM Balancing Authority (BA) service; and rate schedules L-AS4 and L-AS9 when RMR is participating in the WEIS Market and the WEIS Market is providing such service.

Within the Balancing Authority Area(s) (BAA) in the WEIS Market Footprint, Energy and Generator Imbalance Services are provided when a difference occurs between the expected and the actual delivery of energy within such BAA(s) over a Dispatch Interval. All loads and resources in the WEIS Market will be subject to settlement related to Energy or Generator Imbalance Services in the WEIS Market. SPP, as the WEIS Market administrator, will obtain and provide this service under the WEIS Market and will calculate and bill applicable charges and credits.

In accordance with the "Western Joint Dispatch Agreement" (WJDA) between RMR and SPP, SPP invoices RMR for WEIS Administration based on the WEIS Administration Rate and applicable net energy for load (NEL). SPP sets the WEIS Administration Rate annually and the Market Participants submit the most recent reported NEL values to SPP by September 1st for the yearly invoices to be determined by December 1st. A portion of the RMR invoice for WEIS Administration is applicable to the WACM BAA's non-participating entities NEL. The most current information available for SPP's February through January rate year is shown in Table 1 below. The WEIS imbalance settlement charges and credits for the non-participating entities' loads and/or resources are calculated by SPP according to the settlements at each specific settlement location and are also invoiced to RMR. Per RMR's rate schedules, RMR will pass through these invoiced fees, charges, and credits to the applicable non-participating entities.

TABLE 1				
WEIS Administration Fee				
(Feb 2021 - Jan 2022 rate year)				
			\$0.22 Per WJDA - BNEL @ \$0.22 or minimum of \$9k	Monthly
SPP Invoice to WAPA- CRSP	2,403,107		\$ 528,683.49	\$ 44,056.96
LAP	1,579,953		\$ 347,589.58	\$ 28,965.80
CRSP	820,115		\$ 180,425.33	\$ 15,035.44
CRSP-for NAPI	3,039		\$ 668.57	\$ 55.71
SPP Invoice to WAPA- RMR for WACM BA	6,807,956		\$ 1,497,750	\$ 124,812.53
WAPA Bill to WACM BA Non-Participating Asset Owners			Passed Thru Under L-AS4 & L-AS9	Monthly - Feb
Aztec	37,898	0.56%	\$ 8,338	\$ 694.80
BHP	4,572,664	67.17%	\$ 1,005,986	\$ 83,832.17
BHSU	19,941	0.29%	\$ 4,387	\$ 365.59
DMEA	582,429	8.56%	\$ 128,134	\$ 10,677.87
FARM	986,540	14.49%	\$ 217,039	\$ 18,086.57
FRD	11,249	0.17%	\$ 2,475	\$ 206.23
NTUA	286,224	4.20%	\$ 62,969	\$ 5,247.44
NPPD	3,747	0.06%	\$ 824	\$ 68.70
PAC	117,470	1.73%	\$ 25,843	\$ 2,153.62
PAGE	81,369	1.20%	\$ 17,901	\$ 1,491.77
PSCO	84,863	1.25%	\$ 18,670	\$ 1,555.82
WAFB	23,562	0.35%	\$ 5,184	\$ 431.97
Subtotal	6,807,956	100.00%	\$ 1,497,750	\$ 124,812.53
Net WACM	0		\$ -	\$ -

As the Market Participant for the non-participating entities, RMR must recover the costs it incurs for the WACM BA providing these services to such non-participating entities and does so via assessment of the RMR administrative fee. To determine the labor portion of this administrative fee, managers of the various program offices are tasked with conducting high-level labor hour analyses to determine the number of hours per year that their staff perform WEIS-specific tasks for the non-participating entities. The most current, FY 2021, information available for each program office is listed in Table 2.

TABLE 2				
Administrative Fee				
WAPA Labor Component				
				1/
Program Office	WEIS-specific Tasks	Total Hours/Yr	WEIS Hours/Yr	Annual WEIS Costs 1
Reliability Operations	AGC Dispatch Desk, Real-Time Studies	49,649	3,000	\$ 498,700
Operations Engineering	Studies, Tech Writer	10,435	525	\$ 93,998
Operations Support	Technical Lead, Report Writer, Trainer	18,783	30	\$ 5,290
Settlements	Shadow Settlements, Power Billing, MV90, Asset Registration	10,435	3,167	\$ 385,266
IT	Software Tool Management, Meter Data Transfers	12,522	360	\$ 33,749
Transmission Services	NABSE Registration, Asset Registration	2,087	48	\$ 7,444
Rates	Administrative Fee Calculations	6,261	36	\$ 5,181
Contracts	Contracts, Notifications	14,609	16	\$ 1,733
Finance	Payments	4,174	12	\$ 1,005
		128,955	7,193	\$ 1,032,367
	WEIS % of Hours/Yr ^{2/}		5.58%	
<u>1/</u> Based on salaries as of March 2020 and RMR's FY20 overhead burden rates				
<u>2/</u> Used in determination of minimum fee in Table 3				

In addition to labor costs, RMR recovers a portion of the one-time and on-going OATI software tool costs and other miscellaneous costs (the most current, FY 2021, information available is shown below in Table 3). RMR will review its efforts for providing these services to non-participating entities on an annual basis and revise the program offices, activities, and costs for the administrative fee as necessary.

RMR uses a combination of a minimum fee and a proportional share of non-participating entity NEL as a method for distributing these costs to all non-participating entities (load serving entities (LSEs) and generation only entities) in the WACM BAA. Allocating costs based on NEL correlates the costs to the size of entities in the BAA. NEL for a given entity remains relatively consistent from year to year, which provides rate stability relative to other methods, such as those based on transactional volumes which may vary greatly due to system or market conditions. As generation only entities do not have an NEL value to use for allocation purposes and as some entities have very little NEL, the use of a minimum fee ensures everyone in the BAA is allocated an appropriate share of the costs. We believe this to be a sound methodology that is also utilized by SPP to allocate WEIS Administration fees to Market Participants, whereas any small LSE or generation only entity that signs up as a WEIS Market Participant would pay at least a minimum fee (currently \$9k).

To determine RMR’s annual minimum fee, 1) we determine the percentage of “WEIS non-participant hours” as compared to the total staff hours of the applicable functional areas (from Table 2); 2) then divide that percentage by the total number of non-participating entities (currently 15 as shown in Table 3); and 3) then multiply that percentage by the administrative fee (see bottom of Table 3). The components to determine the minimum fee will be updated as necessary, as changes are made to the allocation of staff hours and costs, NEL, and/or the number of non-participating entities.

That minimum dollar value is then compared to what each non-participating entity’s total administrative fee would be based on their NEL proportional share. If the entity’s NEL proportional share is less than the minimum, that entity is assigned the minimum fee. The minimum fee is also assigned to generation only entities; those without an NEL value. The administrative fees for those entities are summed and then subtracted from the total administrative fee. The remaining balance of the administrative fee is then allocated to the remaining entities based on each entity’s NEL proportional share of that group’s total NEL. See Table 3.

TABLE 3												
WAPA-RMR Administrative Fee (FY2021)												
					Charged Under L-AS4 & L-AS9							
WACM BA Non-Participating Asset Owner	Actual Energy MWh	LAP CROD	CRSP CROD	2019 Net Energy for Load (NEL)	Share of Non-MP only	Labor		OATI Software Tool		Building and Other Misc. Costs	Total	Total
						Annual	One-Time Costs	Annual	Annual			
						\$ 1,032,367	\$ 210,764	\$ 43,345	\$ 28,508	\$ 1,314,984		
Aztec	45,842	0	7,944	37,898	0.56%	\$ 5,635	\$ 1,150	\$ 237	\$ 156	\$ 7,178	\$ 5,247	\$ 655.93
BHP	4,598,717	26,053	0	4,572,664	67.75%	\$ 679,909	\$ 138,806	\$ 28,547	\$ 18,777	\$ 866,039	\$ 633,144	\$ 79,142.98
BHSU	19,941	0	0	19,941		\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
DMEA	582,429	0	0	582,429	8.63%	\$ 86,601	\$ 17,680	\$ 3,636	\$ 2,392	\$ 110,309	\$ 80,645	\$ 10,080.59
FARM	1,055,664	0	69,124	986,540	14.62%	\$ 146,688	\$ 29,947	\$ 6,159	\$ 4,051	\$ 186,846	\$ 136,599	\$ 17,074.88
FRD	11,249	0	0	11,249		\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
NTUA	388,720	0	102,496	286,224	4.24%	\$ 42,559	\$ 8,689	\$ 1,787	\$ 1,175	\$ 54,209	\$ 39,631	\$ 4,953.92
NPPD	3,747	0	0	3,747		\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
PAC	117,470	0	0	117,470	1.74%	\$ 17,467	\$ 3,566	\$ 733	\$ 482	\$ 22,248	\$ 16,265	\$ 2,033.16
PAGE	126,176	0	44,807	81,369	1.21%	\$ 12,099	\$ 2,470	\$ 508	\$ 334	\$ 15,411	\$ 11,267	\$ 1,408.32
PSCO	84,863	0	0	84,863	1.26%	\$ 12,618	\$ 2,576	\$ 530	\$ 348	\$ 16,073	\$ 11,750	\$ 1,468.79
WAFB	39,776	16,214	0	23,562		\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
Generation Only Entities:												
Holy Cross Electric						\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
Kimball Wind						\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
Los Alamos County						\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
Salt River Project						\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584	\$ 3,351	\$ 418.92
Subtotal				6,807,955		\$ 1,032,367	\$ 210,764	\$ 43,345	\$ 28,508	\$ 1,314,984	\$ 961,359	\$ 120,170
Subtotal Excluding Minimum:				6,749,456	100.00%							
				Minimum Fee:		\$ 3,599	\$ 735	\$ 151	\$ 99	\$ 4,584		
				Rationale:								
				WAPA WEIS hrs for non-MP / total WAPA hrs:	5.58%							
				# of non-MP entities:	16							
				% of hrs / # of non-MP entities:	0.35%							
				Total Adm Fee:		\$ 1,032,367	\$ 210,764	\$ 43,345	\$ 28,508	\$ 1,314,984		
				Total Amount Collected via Minimum:		\$ 28,792	\$ 5,880	\$ 1,208	\$ 792	\$ 36,672		
				Total Amount Collected via NEL Ratio:		\$ 1,003,575	\$ 204,884	\$ 42,137	\$ 27,716	\$ 1,351,656		

RMR’s administration fee and entity allocations will normally be updated on a fiscal year basis (October-September). RMR will strive to provide 30-day notice prior to the October 1 effective date each year to all applicable BA customers. In the event of any out-of-cycle updates, RMR will provide as much notice as possible prior to the effective date of these types of updates.

Balancing Authority Real Power Losses Service (L-AS7)

As discussed in the FERC pro forma OATT, which is included in Sections 15.7 and 28.5 of WAPA's OATT, "Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer/Network Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Loss factors are specified in the Service Agreements or on the Transmission Provider's OASIS."

Prior to October 2000, WACM (with numerous TSP's within it, including two Federal TSP's, LAPT and CRCM) was experiencing transmission transactions within its BAA that were deficient of real power losses. WACM, as the control area operator, was inadvertently providing the unscheduled energy for these transactions, the cost of which amounted to tens of thousands of dollars, creating significant uncompensated expense to LAP. To mitigate this issue, and as a means for LAP to recover these costs, in October 2000, RMR implemented its first losses rate schedule, L-LO1, and began assessing a BAA postage stamp loss factor percentage to each transmission transaction within the BAA. Ultimately, the parties in the BAA used a single postage stamp loss factor for the entire BAA in-lieu of pancaking each individual TSP's loss factors and relied on RMR to administer these losses, which was more efficient for the various TSP's transmission customers. Since that time, RMR has conducted seven rate adjustment processes and in February 2021 implemented rates for short-term sales for RMR to use under the WEIS Market to continue the implementation of this BAA postage stamp loss factor and has continued to assess losses, currently under Rate Schedule L-AS7 and in accordance with the applicable "Ancillary Services and Losses Business Practices", for all real-time and prescheduled transmission transactions inside the WACM BAA.

RMR, in its goal to provide the most reliable and cost-effective services, joined the WEIS Market for provision of WACM and LAPT imbalance services. RMR considered what modifications were necessary because of the WEIS Tariff and Protocols for the settlement of real power losses within the BAA. RMR also received Customer comments and questions regarding how the BAA postage stamp loss factor corresponds to the Real Power Loss factors set forth in TSP's OATT and service agreements.

Considering the above, in February 2021, RMR refined and clarified our understanding of losses in the BAA. The proposed Rate Schedule L-AS7 for this 3-year period continues to capture the BA's need to address energy deficiencies caused by transmission real power losses in the BAA and continues the historical practice of assessing the BAA postage stamp loss factor to each transmission transaction within the BAA, where applicable, as follows:

- **Load inside WACM BAA:** As specified in the WEIS Tariff and Protocols:
 - Market Participants are required to submit balanced load forecasts and actual meter data with losses included.
 - WACM, as a participating Balancing Authority in the WEIS Market footprint, is required to submit balanced load forecasts and actual meter data with losses included

for the non-participating entities within the WACM BAA; and therefore, will require the receipt of such balanced load forecasts and actual meter data with losses included from such BA Customers.

- **Import, Export, and Wheeled-Through PTP Transactions:**

- **Import Transactions:** For certain imported interchanges, such as those which sink in a sub Balancing Authority, the loss responsibility falls on the last TSP before entering the sub Balancing Authority.
- **Export Transactions:** Export transactions are those transactions that show the source as WACM and the sink as another BA. The loss responsibility falls on the last TSP inside WACM as identified in the schedule.
- **Wheeled-Through Transactions:** Wheeled-through transactions are those transactions that flow through the WACM system, for which WACM is an intermediary BA/Scheduling Entity (neither the Source/Generating BA nor the Sink/Load BA). The loss responsibility falls on the last TSP inside WACM as identified in the schedule.

Post-WEIS, due to the complexities related to scheduling, tagging, and settlement, RMR no longer offers the option for in-kind energy replacement; either concurrent or seven-day return. BA Real Power Losses for all applicable point-to-point transactions are settled financially with WACM based on the hourly locational marginal price (LMP) for the LAP settlement location. The charge will continue to be assessed to the last TSP on the schedules as described above, to prevent duplicate assessment of the real power losses for schedules which involve more than one TSP inside the WACM BAA.

- In cases where LAPT and CRCM are the last TSP on the schedule, LAPT and CRCM will continue to pass that assessment of real power losses on to the applicable point-to-point transmission customer as stipulated in the transmission service agreements.

- **Load and Generation transferred out of WACM BAA into another BAA:**

Post-WEIS, due to the complexities related to scheduling, tagging, and settlement, RMR no longer offers the option for in-kind energy replacement; either concurrent or seven-day return. For load and generation which are electrically connected to a transmission system within the WACM BAA that have been dynamically transferred to another BAA via pseudo tie or dynamic schedule, the loss obligation falls on the TSP which the load or generation is connected to and will be settled financially with WACM based on the hourly LMP for the LAP settlement location.

- In cases where LAPT and CRCM are the last TSP, LAPT and CRCM will continue to pass that assessment of real power losses on to the applicable point-to-point transmission customer as stipulated in the transmission service agreements.

IV. Rate Adjustment Procedures

Public Process

The formal Public Consultation and Comment Period begins with the publication of the Proposed FRN on April 21, 2021, and will end 30 days later, on May 20, 2021. A Public Information Forum and a Public Comment Forum will not be held but all interested parties may submit written comments to RMR at any time during the Consultation and Comment Period. All comments must be received by RMR by the end of the comment period to be considered in the decision process. Written comments should be e-mailed to LAPTransAdj@wapa.gov

For further information, please contact:

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Revision and/or Finalization of Proposed Long-Term Formula Rates

After the Consultation and Comment Period has ended and RMR has conducted a review of written comments, RMR may revise the Proposed Formula Rate(s). If WAPA's Administrator decides that further public comment on the revised Proposed Formula Rate(s) should be solicited, a second consultation and comment period may be initiated.

Administrator's Confirmation and Approval of the Long-Term Formula Rates

Following the end of the Consultation and Comment Period, RMR will finalize development of the Proposed Long-Term Formula Rates and request that the Administrator confirm, approve, and place these formula rates in effect on an interim basis. The decision and an explanation of the principal factors leading to the decision will be announced in the Federal Register. RMR proposes to place the Provisional long-term formula rates into effect on October 1, 2021.

FERC's Confirmation and Approval of the Long-Term Formula Rates

WAPA's Office of General Counsel will submit all information concerning the Provisional Long-Term Formula Rates to FERC and request approval of the methodologies used in their development. FERC may then confirm and approve the submittal, remand it to WAPA, or disapprove the submittal.

V. Ratemaking Procedure Requirements

Environmental Compliance

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

Determination Under Executive Order 12866

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

VI. Project Descriptions

Loveland Area Projects

LAP is an operational and contractual integration of the Pick-Sloan Missouri Basin Program-Western Division (P-SMBP-WD) and the Fryingpan-Arkansas Project (Fry-Ark). LAP power is delivered to preference power customers in Colorado, Wyoming, Nebraska, and Kansas. This power is generated at 20 hydroelectric plants, one which is currently mothballed due to repair costs but has not been decommissioned. Approximately 3,378 miles of transmission lines and 84 substations are used to deliver LAP power to customers and are used by LAPT to offer open access transmission services.

RMR is the operator of the WACM BA (using LAP as its banker). Ancillary services provided by WACM are supplied using LAP and CRSP resources and/or other purchased resources.

Pick-Sloan Missouri Basin Program-Western Division

The Pick-Sloan Missouri Basin Program (P-SMBP) is a comprehensive program authorized by Congress in 1944 to provide flood control, navigation improvement, irrigation, municipal and industrial water development, and hydroelectric production for the entire Missouri River Basin. Multipurpose projects have been developed on the Missouri River and its tributaries in Colorado, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.

The Colorado-Big Thompson, Kendrick, and Shoshone Projects were administratively combined with P-SMBP in 1954, followed by the North Platte Project in 1959. These projects are known as the "Integrated Projects" of the P-SMBP. The Riverton Project was reauthorized as a unit of the P-SMBP in 1970. The P-SMBP-WD includes 18 power plants of the Integrated Projects plus P-SMBP's Yellowtail plant.

Fryingpan-Arkansas

Fry-Ark is a trans-mountain diversion development in southeastern Colorado authorized by the Act of Congress on August 16, 1962 (Pub. L. 87-590, 76 Stat. 389, as amended by Title XI of the Act of Congress on October 27, 1974 (Pub. L. 93-493, 88 Stat. 1486, 1497)). Fry-Ark diverts water from the Fryingpan River and other tributaries of the Roaring Fork River in the Colorado River Basin on the West Slope of the Rocky Mountains to the Arkansas River on the East Slope of the Rocky Mountains. The water diverted from the west slope, together with regulated Arkansas River water, provides supplemental irrigation and municipal and industrial water supplies, and produces hydroelectric power. Flood control, fish and wildlife enhancement, and recreation are other important purposes of Fry-Ark.

The project has 6 dams and 5 reservoirs, 70 miles of tunnels and canals, and the Mount Elbert pumped-storage power plant at Twin Lakes. The plant's two generating units have an installed capacity of 200 MW. While the majority of project capacity depends on water pumped during off-peak hours and water releases for power production when needed, some generation is attributed to flow-through water.

Appendix A

Proposed Rate Schedules

**Rate Schedule L-NFJDT
SCHEDULE 8R to OATT Attachment R
(Supersedes Rate Schedule L-NFJDT dated
February 1, 2021, through September 30, 2021)**

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**ROCKY MOUNTAIN REGION
Loveland Area Projects**

**JOINT DISPATCH TRANSMISSION SERVICE
(Approved Under Rate Order No. WAPA-197)**

Effective

The first day of the first full billing period beginning on or after October 1, 2021, and extending through September 30, 2024, or until superseded by another rate schedule, whichever occurs earlier.

Applicable

This rate schedule applies to the Loveland Area Projects (LAPT) as the Transmission Service Provider (TSP) when the Rocky Mountain Region is participating in the Western Energy Imbalance Service (WEIS) Market. The Joint Dispatch Transmission Service (JDTS) Customer shall compensate the LAPT TSP for JDTS commensurate with the receipt or delivery of energy dispatched for the JDTS Customer pursuant to the WEIS Tariff under the formula rate described herein.

Formula Rate

Hourly delivery:

On-Peak Hours: the on-peak charge \$0.00/MWh

Off-Peak Hours: the off-peak charge \$0.00/MWh

**Rate Schedule L-AS4
SCHEDULE 4R to OATT ATTACHMENT R
(Supersedes Rate Schedule L-AS4 dated
February 1, 2021, through September 30, 2021)**

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**ROCKY MOUNTAIN REGION
Loveland Area Projects
Western Area Colorado Missouri Balancing Authority**

**ENERGY IMBALANCE SERVICE
(Approved Under Rate Order No. WAPA-197)**

Effective

The first day of the first full billing period beginning on or after October 1, 2021, and extending through September 30, 2024, or until superseded by another rate schedule, whichever occurs earlier.

Applicable

This rate schedule applies to the Western Area Colorado Missouri Balancing Authority (WACM) as the Balancing Authority Area (BAA) operator and to Loveland Area Projects (LAPT) as the Transmission Service Provider (TSP) when the Rocky Mountain Region (RMR) is participating in the Western Energy Imbalance Service (WEIS) Market and the WEIS Market is providing such ancillary service.

Within the BAA(s) in the WEIS Market Footprint, Energy Imbalance Service is provided when a difference occurs between the expected and the actual delivery of energy within such BAA(s) over a Dispatch Interval. All loads in the WEIS Market will be subject to settlement related to Energy Imbalance Service in the WEIS Market. Southwest Power Pool, Inc. (SPP),

**Rate Schedule L-AS4
SCHEDULE 4R to OATT ATTACHMENT R
(Supersedes Rate Schedule L-AS4 dated
February 1, 2021, through September 30, 2021)**

as the WEIS Market administrator, will obtain and provide this service under the WEIS Market and will calculate and bill applicable charges and credits.

As a participating balancing authority in the WEIS Market Footprint, WACM is required to register loads and resources for non-participating entities within the WACM BAA. Such entities must enter into separate agreements with WACM which will specify the terms of the Energy Imbalance Service contracted through the WEIS Market.

The LAPT TSP offers this service when the transmission service is used to serve load within the WACM BAA and the Transmission Customers must either purchase this service from the LAPT TSP or make alternative arrangements with WACM to satisfy their Energy Imbalance Service obligations.

Formula Rate

Charges shall reflect the pass-through of all applicable charges/credits associated with the WEIS Tariff assessed to RMR for embedded load in the WACM BAA of such entity that does not make adequate alternate arrangements in the WEIS Market to satisfy its Energy Imbalance Service obligation. RMR will also charge an administrative fee to cover RMR's cost of administering this service on behalf of such entities.

The WEIS charges/credits attributed to specific settlement location(s) (as defined in the WEIS Tariff) will be passed directly through to the applicable asset owners (as defined in the WEIS Tariff) at those settlement location(s). Other WEIS charges/credits, i.e., WEIS

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Administration costs, will be allocated based on each entity's proportional share of Net Energy for Load (NEL) (or as otherwise determined by the WEIS administrator).

RMR's administrative fee will be allocated to the non-participating entities using the higher of either RMR's calculated minimum fee or the entity's proportional share of the non-participating entities NEL.

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**Rate Schedule L-AS9
SCHEDULE 9R to OATT ATTACHMENT R
(Supersedes Rate Schedule L-AS9 dated
February 1, 2021, through September 30, 2021)**

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**ROCKY MOUNTAIN REGION
Loveland Area Projects
Western Area Colorado Missouri Balancing Authority**

**GENERATOR IMBALANCE SERVICE
(Approved Under Rate Order No. WAPA-197)**

Effective

The first day of the first full billing period beginning on or after October 1, 2021, and extending through September 30, 2024, or until superseded by another rate schedule, whichever occurs earlier.

Applicable

This rate schedule applies to the Western Area Colorado Missouri Balancing Authority (WACM) as the Balancing Authority Area (BAA) operator and to Loveland Area Projects (LAPT) as the Transmission Service Provider (TSP) when the Rocky Mountain Region (RMR) is participating in the Western Energy Imbalance Service (WEIS) Market and the WEIS Market is providing such ancillary service.

Within the BAA(s) in the WEIS Market Footprint, Generator Imbalance Service is provided when a difference occurs between the expected and the actual delivery of energy within such BAA(s) over a Dispatch Interval. All resources in the WEIS Market will be subject to settlement related to Generator Imbalance Service in the WEIS Market. Southwest Power Pool, Inc. (SPP),

**Rate Schedule L-AS9
SCHEDULE 9R to OATT ATTACHMENT R
(Supersedes Rate Schedule L-AS9 dated
February 1, 2021, through September 30, 2021)**

as the WEIS Market administrator, will obtain and provide this service under the WEIS Market and will calculate and bill applicable charges and credits.

As a participating balancing authority in the WEIS Market Footprint, WACM is required to register loads and resources for non-participating entities within the WACM BAA. Such entities must enter into separate agreements with WACM which will specify the terms of the Generator Imbalance Service contracted through the WEIS Market.

The LAPT TSP offers this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within the WACM BAA and the Transmission Customers must either purchase this service from the LAPT TSP or make alternative arrangements with WACM to satisfy their Generator Imbalance Service obligations.

Formula Rate

Charges shall reflect the pass-through of all applicable charges/credits associated with the WEIS Tariff assessed to RMR for embedded resources in the WACM BAA of such entity that does not make adequate alternate arrangements in the WEIS Market to satisfy its Generator Imbalance Service obligation. RMR will also charge an administrative fee to cover RMR's cost of administering this service on behalf of such entities.

The WEIS charges/credits attributed to specific settlement location(s) (as defined in the WEIS Tariff) will be passed directly through to the applicable asset owners (as defined in the WEIS Tariff) at those settlement location(s).

**Rate Schedule L-AS9
SCHEDULE 9R to OATT ATTACHMENT R
(Supersedes Rate Schedule L-AS9 dated
February 1, 2021, through September 30, 2021)**

RMR's administrative fee will be allocated using the higher of either RMR's calculated minimum fee or the entity's proportional share of the non-participating entities Net Energy for Load (NEL).

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**Rate Schedule L-AS7
(Supersedes Rate Schedule L-AS7 dated
February 1, 2021, through September 30, 2021)**

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**ROCKY MOUNTAIN REGION
Western Area Colorado Missouri Balancing Authority**

BALANCING AUTHORITY REAL POWER LOSSES SERVICE

(Approved Under Rate Order No. WAPA-197)

Effective

The first day of the first full billing period beginning on or after October 1, 2021, and extending through September 30, 2024, or until superseded by another rate schedule, whichever occurs earlier.

Applicable

This rate schedule applies to the Western Area Colorado Missouri Balancing Authority (WACM) as the Balancing Authority Area (BAA) operator when the Rocky Mountain Region is participating in the Western Energy Imbalance Service (WEIS) Market. BA Real Power Losses Service is needed to account for the energy loss of the transmission systems within the BAA; to which the BAA operator must account for and be compensated where applicable. BA Real Power Losses are applicable for all real-time and prescheduled transactions on transmission facilities inside the WACM BAA.

In accordance with WACM's Business Practices, the BA Real Power Losses obligation falls 1) to load inside the WACM BAA, 2) to the last Transmission Service Provider (TSP) inside the WACM BAA listed on the applicable import, export, or wheeled-through point-to-point transmission service schedule, or 3) to the TSP which any dynamically transferred load and

**Rate Schedule L-AS7
(Supersedes Rate Schedule L-AS7 dated
February 1, 2021, through September 30, 2021)**

generation is connected to. This prevents duplicate assessment of the real power losses for schedules which involve more than one TSP inside the WACM BAA.

Formula Rate

WACM's BA Real Power Loss Factor Percentage is posted in WACM's "Ancillary Services and Losses" Business Practices which is posted on the Loveland Area Projects Transmission (LAPT) Open Access Same-Time Information System website.

Entities with load in the WACM BAA are required to submit balanced load forecasts and actual meter data with real power losses included.

Financial settlement for applicable point-to-point transactions and for load and generation which have been dynamically transferred out of WACM BAA into another BAA, as detailed in WACM's "Ancillary Services and Losses" Business Practices, will be calculated using WACM's then current BA Real Power Loss Factor Percentage and a charge assessed based on the WEIS Market's hourly locational marginal price (LMP) for the LAP settlement location.