



Department of Energy
 Western Area Power Administration
 Sierra Nevada Region
 114 Parkshore Drive
 Folsom, CA 95630-4710

September 13, 2024

To Central Valley Project Preference Customers and Interested Parties:

This notification is to inform you that the Fiscal Year (FY) 2025 Power Revenue Requirement (PRR) will be \$56,275,641, effective October 1, 2024. This represents an increase of \$12,514,462 from FY 2024. For a detailed comparison, please refer to the enclosed FY 2024 to FY 2025 PRR comparison worksheet.

In accordance with Rate Order No. WAPA-207 and Rate Schedule CV-F14, the PRR allocation is as follows:

Rate Category	FY 2025 Annual Revenue Requirements
Power Revenue Requirement	\$56,275,641
Base Resource Revenue Requirement	\$51,964,927
First Preference Revenue Requirement	\$4,310,714

First Preference Customers	First Preference Percentage
Calaveras Public Power Agency	1.09%
Chicken Ranch Rancheria	0.14%
Sierra Conservation Center	0.32%
Trinity Public Utilities District	4.64%
Tuolumne Public Power Agency	1.47%
Total FP Customers	7.66%

Base Resource Monthly Billing	Base Resource Monthly Billed Amount
October through March: 25% collection	\$2,165,205
April through September: 75% collection	\$6,495,616

Please note that revenue requirements and First Preference percentages are based on estimated financial and operational data. WAPA will review estimates in March and adjust rates if necessary. Billing adjustments from the First Preference percentage true-up will occur in FY 2027.

For your reference, all rates are posted at: <https://www.wapa.gov/regions/SN/rates>.

If you have any questions, please contact me at (916) 353-4686 or wolfe@wapa.gov.

Sincerely,

AUTUMN
WOLFE



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AUTUMN WOLFE
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Rates Manager

Enclosure:



Sierra Nevada Region

FY 2025 Initial Power Revenue Requirement

Effective October 1, 2024

	FY 2024 PRR		FY 2025 PRR		Difference		
	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	NET (exp - rev)
O&M Expense: /1							
Reclamation O&M	\$60,362,978		\$60,576,173		\$213,195		\$213,195
WAPA O&M	\$78,845,006		\$93,705,993		\$14,860,987		\$14,860,987
Total O&M Expense	\$139,207,984		\$154,282,166		\$15,074,182		\$15,074,182
Purchase Power Expense:							
Custom Product and Supplemental Power /2	\$205,152,052	\$205,152,052	\$246,478,110	\$246,478,110	\$41,326,058	\$41,326,058	\$0
Host Balancing Authority (HBA) Costs (SMUD) /3	\$3,132,245	\$0	\$3,132,245	\$0	\$0	\$0	\$0
Purchases for Project Use customers /4	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Washoe Cost for BR /5	\$246,000	\$0	\$246,000	\$0	\$0	\$0	\$0
Total Purchase Power Expense/Revenue	\$208,530,297	\$205,152,052	\$249,856,355	\$246,478,110	\$41,326,058	\$41,326,058	\$0
Interest Expense: /6	\$7,540,470		\$5,533,577		(\$2,006,893)	\$0	(\$2,006,893)
Other Expenses: /7	\$9,949,043		\$3,474,322		(\$6,474,721)	\$0	(\$6,474,721)
Project Repayment (Expense): /8							
CVP Project Repayment	\$2,000,000		\$2,000,000		\$0	\$0	\$0
BIL Funded Project Repayment	\$0		\$0		\$0	\$0	\$0
Total Project Repayment	\$2,000,000		\$2,000,000		\$0	\$0	\$0
Other Pass-through Expenses & Revenues:							
CAISO Market & GMC Charges Project Use (WPUL) /9	\$6,307,043	\$0	\$6,307,043	\$0	\$0	\$0	\$0
CAISO Expenses & Revenues /10	\$66,825,729	\$68,257,951	\$59,676,567	\$60,950,693	(\$7,149,162)	(\$7,307,258)	\$158,096
PG&E costs incurred for Wheeling /11	\$39,468,867	\$31,575,094	\$29,294,930	\$24,467,843	(\$10,173,937)	(\$7,107,251)	(\$3,066,686)
PATH 15 revenues and expenses	\$12,000	\$12,000	\$12,000	\$12,000	\$0	\$0	\$0
Purchases and Sales for SBA	\$10,620,797	\$14,054,282	\$10,945,912	\$15,457,293	\$325,115	\$1,403,011	(\$1,077,896)
Resource Adequacy (Local and Flexible)	\$7,082,265	\$5,873,458	\$5,487,510	\$4,917,616	(\$1,594,755)	(\$955,843)	(\$638,912)
Total Other Pass-through Expense/Revenue	\$130,316,701	\$119,772,785	\$111,723,962	\$105,805,444	(\$18,592,739)	(\$13,967,341)	(\$4,625,398)
Other Revenues: /12							
Non-firm energy sales		\$0		\$0	\$0	\$0	\$0
Miscellaneous Revenues		\$80,020,611		\$69,561,148	\$0	(\$10,459,463)	\$10,459,463
SC, PM, and VRC Admin Fees /13		\$3,574,848		\$2,689,132	\$0	(\$885,716)	\$885,716
Ancillary Service Sales to IOA SCA Members /14		\$4,163,019		\$3,260,906	\$0	(\$902,113)	\$902,113
Total Other Revenues		\$87,758,478		\$75,511,186	\$0	(\$12,247,292)	\$12,247,292
Project Use Revenues: /15		\$41,100,000		\$42,800,000	\$0	\$1,700,000	(\$1,700,000)
Transmission Revenues: /16		\$0		\$0	\$0	\$0	\$0
Total Expenses & Revenues	\$497,544,495	\$453,783,315	\$526,870,382	\$470,594,740	\$29,325,887	\$16,811,425	\$12,514,462
PRR Summary:							
Total Expenses	\$495,544,495		\$524,870,382		\$29,325,887		
add: Project Repayment	\$2,000,000		\$2,000,000		\$0		
	\$497,544,495		\$526,870,382		\$29,325,887		
less: Total Revenues	(\$453,783,315)		(\$470,594,740)		(\$16,811,425)		
Power Revenue Requirement	\$43,761,179		\$56,275,641		\$12,514,462		

Footnotes:

- /1 USBR and WAPA's O&M is based on updated budget and forecasted data. WAPA's Budget includes \$10M for the Governance Board Resolution 24-12 for prepayment on COTP Series Capacitor Project.
- /2 Estimates for Custom Product and Supplemental Power costs are based on WAPA's Purchase Power budget.
- /3 Host Balancing Authority (HBA) charges reflect the most current contract agreement, with a 2% increase as seen from 2022-2023.
- /4 Currently, there are no planned forward power purchases for Project Use Customers.
- /5 Based on the most current Washoe Project Power Repayment Study data.
- /6 The FY25 PRR interest expense is based on projected unpaid capital.
- /7 Other Expenses are based on historical and projected data.
- /8 Capital repayment projection includes WAPA's and BOR's planned investment from customer funding and appropriations.
Bipartisan Infrastructure Law repayment includes projected annual capital repayment, and will include interest once information is available.
- /9 CAISO expenses for Project Use are derived based on current historical data.
- /10 CAISO revenues and expenses are derived based on current historical data (excludes Project Use).
- /11 These estimates reflect projected rates with PG&E's Wholesale Distribution Tariff (WDT) service.
- /12 Other Revenues are based on historical and projected data.
- /13 Revenues reflect historical and forecasted data to account for changes in rates and contract charges.
- /14 Ancillary Service sales is based on historical data and forecasted rates.
- /15 Project use revenues are based on the Project Use estimate.
- /16 Transmission revenues, included in miscellaneous revenues, are based on actual and forecasted data.