

including a portion of such storage loss increase.

WNG states that a copy of its filing was served on all participants listed on the service lists maintained by the Commission in dockets referenced above and on all jurisdictional customers and interested state commissions.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-2558 Filed 2-6-96; 8:45 am]

BILLING CODE 6717-01-M

Pittsburgh Energy Technology Center

Determination of Noncompetitive Financial Assistance Renewal With Reservoir Engineering Research Institute

AGENCY: U.S. Department of Energy, Bartlesville Project Office. Notice of Non-Competitive Financial Assistance Renewal Award.

SUMMARY: The U.S. Department of Energy (DOE), Bartlesville Project Office (BPO) announces that pursuant to 10 CFR 600.7(B)(2)(i)(A) it intends to award a Grant through the Pittsburgh Energy Technology Center (PETC) to Reservoir Engineering Research Institute (RERI) for the continuation of its effort entitled "Fractured Petroleum Reservoirs".

ADDRESSES: Department of Energy, Pittsburgh Energy Technology Center, Acquisition and Assistance Division, P.O. Box 10940, MS 921-143, Pittsburgh, PA 15236.

FOR FURTHER INFORMATION CONTACT: Dona G. Sheehan, Contract Specialist, (412) 892-5918.

SUPPLEMENTARY INFORMATION:

Grant No.

DE-FG22-96BC14850

Title of Research Effort

"Research Consortium on Fractured Petroleum Reservoirs"

Awardee

Reservoir Engineering Research

Institute
Term of Assistance Effort
Thirty-six (36) months
Cost of Assistance Effort
The total estimated value is
\$1,520,000
The DOE share of funding for this program study is \$300,000.00

Objective

The objective of this effort is to continue research along the previous line and conduct research in four areas: (1) Miscible displacement in fractured porous media, (2) Critical gas saturation, (3) Immiscible gas-oil gravity drainage in fractured/layered media, and (4) Water injection in fractured porous media. The study based on each of these tasks will include an analytical or experimental phase to be conducted in conjunction with the theoretical research.

In accordance with 10 CFR 600.7(b)(2)(i) criteria (A), the Reservoir Engineering Research Institute has been selected as the grant recipient. (A) The grant is a continuation of an activity presently being funded by DOE and for which competition for support would have a significant adverse effect on continuity or completion of the activity. Dale A. Siciliano,
Contracting Officer.

[FR Doc. 96-2637 Filed 2-6-96; 8:45 am]

BILLING CODE 6450-01-P

Western Area Power Administration

AC Intertie Project; Rate Order

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Rate Order.

SUMMARY: Notice is given of the confirmation and approval by the Deputy Secretary of the Department of Energy (DOE) of Rate Order No. WAPA-71 and Rate Schedules INT-FT2 and INT-NFT2 placing firm and nonfirm transmission rates into effect on an interim basis. The interim rate, called the provisional rate, will remain in effect on an interim basis until the Federal Energy Regulatory Commission (FERC) confirms, approves, and places it into effect on a final basis or until it is replaced by another rate.

The power repayment studies indicate that the proposed rates for firm and nonfirm transmission service are necessary because of adjustments in operation and maintenance expenses and an anticipated decrease in current marketable capacity on the new 500-kV transmission system.

Three major changes are affecting the rates for the AC Intertie: (1) The

establishment of separate firm transmission rates for the existing 230/345-kV lines and the new 500-kV lines as a result of customer comments and concerns expressed in formal and informal meetings with Western; (2) changing the methodology of calculating interest offsets to be consistent with the other power marketing administrations; and (3) adjustments Western made to budgeted investments for the AC Intertie Project.

DATES: Rate Schedules INT-FT2 and INT-NFT2 will be placed into effect on an interim basis on the first day of the first full billing period beginning on or after February 1, 1996, and will be in effect until FERC confirms, approves, and places the rate schedules in effect on a final basis through September 30, 2000, or until the rate schedule is superseded.

FOR FURTHER INFORMATION CONTACT:

Mr. J. Tyler Carlson, Regional Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P. O. Box 6457, Phoenix, AZ 85005-6457, (602) 352-2453

Mr. Terry D. Waggoner, Western Area Power Administration, P.O. Box 3402, Golden, CO 80401-0098, (303) 275-1611

Mr. Joel K. Bladow, Power Marketing Liaison Office, Room 8G-027, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585-0001, (202) 586-5581

SUPPLEMENTARY INFORMATION: By Amendment No. 3 to Delegation Order No. 0204-108, published November 10, 1993 (58 FR 59716), the Secretary of Energy delegated: (1) The authority to develop long-term power and transmission rates on a nonexclusive basis to the Administrator of Western; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC. Existing DOE procedures for public participation in power rate adjustments (10 CFR Part 903) became effective on September 18, 1985 (50 FR 37835). These power rates are established pursuant to section 302(a) of the Department of Energy (DOE) Organization Act, 42 U.S.C. 7152(a), through which the power marketing functions of the Secretary of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation Act of 1902, 43 U.S.C. 371 *et seq.*, as amended and supplemented by subsequent enactments, particularly

section 9(c) of the Reclamation Project Act of 1939, 43 U.S.C. 485h(c), and other acts specifically applicable to the project system involved, were transferred to and vested in the Secretary.

Rate Order No. WAPA-71 confirming, approving, and placing the proposed AC Intertie rate adjustments into effect on an interim basis, is issued, and the new Rate Schedules INT-FT2 and INT-NFT2 will be submitted promptly to FERC for confirmation and approval on a final basis.

Issued in Washington, DC, January 30, 1996.

Charles B. Curtis,
Deputy Secretary.

In the matter of: Western Area Power Administration Rate Adjustment for Pacific Northwest-Pacific Southwest Intertie Project, Rate Order No. WAPA-71.

Order Confirming, Approving, and Placing the Pacific Northwest-Pacific Southwest Intertie Firm and Nonfirm Transmission Service Rates Into Effect on an Interim Basis

February 1, 1996.

These power rates are established pursuant to section 302(a) of the Department of Energy (DOE) Organization Act, 42 U.S.C. 7152(a) through which the power marketing functions of the Secretary of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation Act of 1902, 43 U.S.C. 371 *et seq.*, as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939, 43 U.S.C. 485h(c), and other acts specifically applicable to the project involved, were transferred to and vested in the Secretary of Energy (Secretary).

By Amendment No. 3 to Delegation Order No. 0204-108, published on November 10, 1993 (58 FR 59176), the Secretary delegated: (1) The authority to develop long-term power and transmission rates on a nonexclusive basis to the Administrator of the Western Area Power Administration (Western); (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission (FERC). Existing DOE procedures for public participation in power rate adjustments (10 CFR Part 903) became effective on September 18, 1985 (50 FR 37835).

Acronyms and Definitions

As used in this rate order, the following acronyms and definitions apply:

AC Intertie: Pacific Northwest-Pacific Southwest Intertie Project
 Additions: A unit of property constructed or acquired which enhances or improves a project system.
 CIAR: Compound Interest Amortization Repayment
 CEP: Cost Evaluation Period, which is the first 5 future years in the PRS, normally consistent with the budget period.
 CROD: Contract rate of delivery
 Current PRS: The PRS used in this rate order, which was used to test the adequacy of the existing rate.
 Customer Brochure: A document prepared for public distribution explaining the background of the rate proposal contained in this rate order.
 DC: Direct Current
 DOE: Department of Energy
 DOE Act: Department of Energy Organization Act, August 4, 1977 (42 U.S.C. 7101 *et seq.*)
 DOE Order RA 6120.2: An order dealing with power marketing administration financial reporting.
 EIS: Environmental Impact Statement
 Engineering Ten Year: A planning document prepared
 Construction and Replacement Plan: By Western for transmission system construction for a 10-year period. Also referred to as the "Engineering 10-Year Plan."
 FERC: Federal Energy Regulatory Commission
 FY: Fiscal Year
 IDC: Interest During Construction
 kW: Kilowatt
 \$/kW/year: Annual charge for capacity usage—(\$ per kilowatt per year)
 kWh: Kilowatthour
 mills/kWh: Mills per kilowatthour
 Multiproject Costs: These are costs for facilities being charged to one project that benefit other projects
 MW: Megawatt
 NEPA: National Environmental Policy Act of 1969. (42 U.S.C. 4321 *et seq.*)
 O&M: Operations and maintenance
 pinch-point: The future FY with the largest annual revenue requirement
 PMA: Power marketing administration
 PRS: Power repayment study
 Proposed rate: A rate revision that the Administrator of Western recommends to the Deputy Secretary of Energy for approval
 Provisional rate: A rate which has been confirmed, approved, and placed into effect on an interim basis by the Deputy Secretary

Ratesetting PRS: The PRS that utilizes, in whole or part, proposed or assumed rates. It is designed to demonstrate that potential revenue levels will satisfy the cost recovery criteria over the remainder of the power system's repayment period
 Reclamation: Bureau of Reclamation, U.S. Department of the Interior
 Replacement: A unit of property constructed or acquired as a substitute for an existing unit of property for the purpose of maintaining the power features of a project
 Replacement study: The cyclical analysis of replacement service lives
 Secretary: Secretary of Energy
 Treasury: Secretary of the Department of the Treasury
 Western: Western Area Power Administration, DOE
 WSPP: Western Systems Power Pool

Effective Date

The AC Intertie rates for firm and nonfirm transmission service will become effective on an interim basis beginning on February 1, 1996, and will be in effect until FERC confirms, approves, and places the rate schedules into effect on a final basis through September 30, 2000, or until superseded. Western is implementing a rate for the AC Intertie 230/345-kV transmission lines that is separate from the rate for the 500-kV transmission lines for firm transmission service, but a combined rate for nonfirm transmission service.

Public Notice and Comment

The Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR Part 903, have been followed by Western in the development of the firm transmission service and nonfirm transmission service rates. The provisional firm transmission rate for the existing 230/345-kV transmission system in FY 1996 represents a rate increase of 85 percent over the existing step 1 rate, and for the period FY 1997 through FY 2000, it represents a 48 percent increase over the existing step 1 rate. The provisional nonfirm transmission service rate for the existing system represents an increase of 100 percent from the current nonfirm transmission service rate. The provisional firm transmission rate for the 500-kV transmission system is \$17.98/kW/year for FYs 1996 through 1998 and \$17.23/kW/year for FYs 1999 through 2000. This rate is classified as a major rate adjustment as defined at 10 CFR §§ 903.2(e) and 903.2(f)(1). The distinction between a minor and a major rate adjustment is used only to

determine the public procedures for the rate adjustment. The following summarizes the steps Western took to ensure involvement of interested parties in the rate process:

1. The first informal public information meeting was held on February 22, 1995. Western explained the need for the proposed rate adjustments and answered questions from those attending.

2. A Federal Register notice was published on May 17, 1995 (60 FR 26433), which extended the existing rates for firm and nonfirm transmission service that became effective August 1, 1993, until October 1, 1996.

3. The second informal public information meeting was held on July 6, 1995. Western representatives again explained the need for the proposed rate adjustment, provided copies of studies, and answered questions from those attending.

4. A Federal Register notice was published on July 31, 1995 (60 FR 38955), officially announcing the proposed rate adjustment for firm transmission service and nonfirm transmission service rates, initiating the public consultation and comment period, announcing the August 24, 1995, public information forum and the September 18, 1995, public comment forum, and presenting procedures for public participation.

5. A letter was mailed to all AC Intertie customers and other interested parties on August 7, 1995, providing a copy of the AC Intertie Proposed Rate Adjustment Brochure and announcing the public information forum and public comment forum.

6. At the public information forum held on August 24, 1995, Western explained the need for the rate increase in greater detail and answered questions.

7. A letter was mailed to all AC Intertie customers and other interested parties on September 13, 1995, providing a copy of the issue papers concerning the abandoned plant audit adjustment.

8. The comment forum was held on September 18, 1995, to give the public an opportunity to comment for the record. Four persons representing customers and customer groups made oral comments.

9. A letter was mailed to all AC Intertie customers and interested parties on October 14, 1995, providing a copy of the answers to the questions that were raised during the comment period. The letter also announced an informal meeting on October 25, 1995, to answer

any questions on the CIAR methodology.

10. A question and answer informal meeting was held on October 25, 1995, to discuss the compound interest amortization methodology. Questions and comments were also raised at this meeting. These comments have also been incorporated and taken into consideration in the final rate settings studies.

11. A Federal Register notice published on November 22, 1995 (60 FR 57867), extended the comment period until November 27, 1995.

12. Ten letters were received during the 119-day consultation and comment period ending November 27, 1995. All formally submitted comments have been considered in the preparation of this rate order.

Project History

The AC Intertie was authorized as part of a much larger alternating current (AC) and direct current (DC) combined transmission system (Pacific Intertie Project) by section 8 of the Act of August 31, 1964, 16 U.S.C. 837g. The basic purpose of the Pacific Intertie Project was to provide, through power transmission system interconnections, maximum utilization of the total power resources to meet the nation's growing demands. This purpose was to be accomplished through: (1) The exchange of summer-winter surplus peaking capacity between the Northwest and Southwest to reduce capital expenditures for new generating capacity; (2) the sale of Northwest secondary energy to the Southwest; (3) the sale of Southwest energy to the Northwest to "firm" peaking hydroelectric sources during critical water years; (4) conservation of significant amounts of fuel through the use of surplus hydroelectric energy; and (5) increased efficiency in the operation of hydroelectric and thermal resources. As authorized, the Pacific Intertie Project was to be a cooperative construction venture by Federal and non-Federal entities that incorporated the capability for both AC and DC transmission components and that provided an intertie among certain Federal and non-Federal power systems.

The Lower Colorado Region (LCR), Bureau of Reclamation, U.S. Department of the Interior, (Reclamation) was assigned construction jurisdiction for: (1) the Celilo-Mead 750-kV DC transmission line from the Oregon-Nevada border to Mead Substation; (2) Mead Substation; and, (3) all facilities south of Mead Substation. Several delays in congressional construction

funding for the DC line revised its estimated in-service date to the point that some of the potential users withdrew their interest. This, and the subsequent lack of congressional funding, resulted in the May 1969 indefinite postponement of the DC line construction. Consequently, the facilities constructed provide only AC transmission service.

Pursuant to section 302 of the DOE Organization Act, 42 U.S.C. 7152(a), dated August 4, 1977, these Reclamation constructed facilities were transferred to Western. Only those AC Intertie facilities which are administered by Western's Desert Southwest Customer Service Region and which provide AC transmission service are the subject of this rate adjustment. To simplify identification, these facilities have been classified as the AC Intertie and are sometimes referred to as the existing system.

On February 1, 1996, Western will add to the AC Intertie the new Mead-Phoenix and Mead-Adelanto 500-kV transmission lines. The additional sales of capacity are expected to be 668 MW. A separate marketing plan is being developed for the sales of the additional capacity.

Power Repayment Studies

PRs are prepared each fiscal year to determine if power revenues will be sufficient to pay, within the prescribed time periods, all costs assigned to the power function. Repayment criteria are based on law, policies, and authorizing legislation. DOE Order RA 6120.2, section 12.b, states:

In addition to the recovery of the above costs (operations and maintenance and interest expenses) on a year-by-year basis, the expected revenues are at least sufficient to recover (1) each dollar of power investment at Federal hydroelectric generating plants within 50 years after they become revenue producing, except as otherwise provided by law; plus (2) each annual increment of Federal transmission investment within the average service life of such transmission facilities or within a maximum of 50 years, whichever is less; plus (3) the cost of each replacement of a unit of property of a Federal power system within its expected service life up to a maximum of 50 years; plus, (4) each dollar of assisted irrigation investment within the period established for the irrigation water users to repay their share of construction costs; plus (5) other costs such as payments to basin funds, participating projects, or States.

Existing and Provisional Rates

The following table compares the existing transmission service rates and the proposed transmission service rates.

COMPARISON OF THE EXISTING AND PROVISIONAL RATES

Type of service	Existing rate 230/345-kV system extended through 10/1/1996	Existing rates step two 230/345/500-kV system 10/1/1996 through 7/31/1998	Proposed rate 230/345-kV system 2/1/1996 through 9/30/2000	Proposed rate 500-kV system 2/1/1996 through 9/30/2000
Firm transmission service ..	\$4.46/kW/year	\$8.01/kW/year	1996 ¹ —\$8.26/kW/year, 1997–2000—\$6.58/kW/year.	1996–1998—\$17.98/kW/year, 1999–2000—\$17.23/kW/year
Nonfirm transmission rate (mills/kWh).	1.00 mills/kWh	1.52 mills/kWh	2.00 mills/kWh	2.00 mills/kWh

¹ Rate based upon 8 months.

Certification of Rates

Western's Administrator has certified that the AC Intertie firm and nonfirm transmission service rates placed in effect on an interim basis herein are the lowest possible, consistent with sound business principles. The rates have been developed in accordance with administrative policies and applicable laws.

Discussion

The power repayment study for the 230/345-kV transmission system indicates that the proposed rate adjustments for firm and nonfirm transmission service are necessary due to adjustments in operation and maintenance expenses of the existing system, and due to capacity in the new 500-kV transmission system being sold separately. The existing rates were designed to recover all annual costs and investment repayment of both the existing 230/345-kV transmission lines and the new 500-kV transmission lines. Three major changes are affecting the rates for the AC Intertie.

The first change is the establishment of separate firm transmission rates for the existing 230/345-kV transmission lines and the new 500-kV transmission lines. This change responds to customer comments and concerns during formal and informal meetings Western held with its customers. Separate PRSs has been prepared for the 500-kV portion and the 230/345-kV portion of the AC Intertie.

The second change is the determination of interest offsets. An interest offset is a credit that is made toward interest expenses. Western is changing its methodology of calculating interest offsets to be consistent with the other power marketing administrations. The old method calculates interest offsets on only the principal that was repaid in the current year. The new method calculates interest offsets on both the principal and interest for the current year.

The third change is adjustments Western made to data budgeted for

investments to the AC Intertie Project. Western's staff determined the total O&M costs on the combined system for the AC Intertie Project and developed a percentage breakdown based upon O&M costs, to determine a method for allocating Other Revenues/Costs.

Existing System

Based upon FY 1994 data, the PRS for the AC Intertie showed that the existing Step II of the firm transmission service rate of \$8.01/kW/year and the nonfirm transmission service rate of 1.52 mills/kWh would provide more than sufficient revenues to pay the project costs within the prescribed time periods. The ratesetting PRS indicates that a transmission service rate for February 1, 1996, through September 30, 1996, of \$8.26/kW/year and a transmission service rate of \$6.58 for October 1, 1996, through September 30, 2000, for firm transmission service is adequate to meet revenue requirements. The rate for FY 1996 is higher because the revenue will be collected over an 8 month period rather than over a 12 month period. The nonfirm rate was determined by developing a combined rate for both systems. The provisional nonfirm transmission rate of 2.00 mills/kWh for nonfirm transmission service is required to meet revenue requirements for FY 1996 through the end of the study.

New System

Based upon FY 1994 data, the PRS for the new Mead-Phoenix and Mead-Adelanto 500-kV transmission system showed that a rate of \$17.98/kW/year for February 1, 1996, through September 30, 1998, and a transmission service rate of \$17.23/kW/year for October 1, 1998, through September 30, 2000, would satisfy the repayment criteria. The nonfirm rate was determined by developing a combined rate for both systems. The proposed rate for nonfirm transmission service of 2.00 mills/kWh will meet revenue requirements for FY 1996 through the end of the study.

The provisional rates filed with FERC have been updated from the rate

originally proposed in the customer brochure and Federal Register notice dated July 31, 1995.

The changes to the PRS are as follows:

1. Revised budget data for the 230/345-kV existing system.
2. Revised power repayment studies that include the new interest offset methodology.
3. Revised budget data for the 500-kV system.
4. Increase in other revenue sales based upon proposed transmission rate.

Firm Transmission Revenue Requirements

A comparison of the transmission revenue requirements estimated for the step II of the existing rate for 1996 to the proposed revenue requirements for the existing 230/345-kV AC Intertie system and to the proposed revenue requirements for the new 500-kV system based upon the pinch-point methodology is as follows:

Step II of the existing system transmission revenue requirements	Proposed revenue requirements for the 230/345-kV system	Proposed revenue requirements for the new 500-kV system
\$24,883,655	\$8,709,909	\$12,352,554

The rate adjustment is necessary to satisfy the cost-recovery criteria set forth in DOE Order RA 6120.2.

Replacement and Addition Activities

The decrease from the existing Step II 230/345-kV transmission system rate is largely due to a decrease in replacements and additions and a decrease in the O&M costs for the existing system. The AC Intertie initial investment will not be fully paid until FY 2028. The capitalized costs for future replacements and additions in the cost evaluation period includes IDC. The IDC calculation for each replacement is determined by the interest rate in the year construction begins. The annual interest expense for replacements and additions is also based on the interest rate in the year construction begins. The

total replacement cost for the cost evaluation period through the end of the study is \$42,891,147.

The 500-kV transmission system has been pulled out of the existing 230/345-kV transmission power repayment study. A 500-kV transmission system power repayment study has been developed to determine the transmission rate for the new system. The new transmission system will provide better service to the customers and additional transmission paths that are presently not available. The total cost of the 500-kV Mead-Phoenix and Mead-Adelanto transmission line for the cost evaluation period through the end of the study is \$134,103,799 and is to be repaid by 2046.

Abandoned Plant

Western's auditors have identified approximately \$14.5 million in equipment and interest charges that are contained in the financial statements as abandoned plant that Western has not included in the rate base. Western's financial statements show that these charges have accumulated since 1964 for the construction of the Direct Current (DC) portion of the Intertie Project.

The construction of the DC line was discontinued in 1969 by the Assistant Secretary of the Department of the Interior. At the time of the decision, the total expenditure amounted to approximately \$10.5 million. Since that

time the amount has increased to approximately \$14.5 million. This amount includes \$2,399,747 of IDC and approximately \$952,574 of tangible assets and studies. The remaining \$11.1 million represents the remaining charges for which no tangible assets/studies exist. These costs are not in the PRS, because they were expended on a feature that was never placed in service.

Statement of Revenue and Related Expenses

The following table provides a summary of revenue and expense data for the 5-year proposed rate approval period for the existing 230/345-kV system.

AC INTERTIE PROJECT—5-YEAR RATE STUDY SUMMARY PERIOD REVENUES AND EXPENSES

Revenue and expenses	Existing rate step II 230/345/500-kV system 10/1/96 through 9/30/2000	Proposed rates 230/245-kV system 2/1/96 through 9/30/2000	Difference
Revenues:			
Firm Transmission	105,009,620	35,545,000	70,464,620
Other Revenues	19,503,775	8,906,743	10,597,032
Total Revenues	124,513,395	43,451,743	81,061,652
Revenue Distribution:			
Operations & Maintenance	17,486,459	12,643,540	4,842,919
Other Deductions	1,077,007	1,640,012	(563,005)
Interest on Deferred	0	490,316	(490,316)
Annual Cost:			
Interest	93,042,899	23,102,897	69,940,002
Investment Repayment	12,814,649	1,984,977	10,829,672
Capitalized Expenses	92,381	3,590,002	(3,497,621)
Study-Year Adjustments	0	0	0
Total	124,513,395	43,451,744	81,061,651

The following table provides a summary of revenue and expense data for the 5-year proposed rate approval period for the new 500-kV system.

AC INTERTIE PROJECT.—5-YEAR RATE STUDY SUMMARY PERIOD REVENUES AND EXPENSES

Revenue and expenses	Existing rate step II 230/345/500-kV system 10/1/96 through 9/30/2000	Proposed rates 500-kV system 2/1/96 through 9/30/2000	Difference
Revenues:			
Firm Transmission	105,009,620	59,051,200	45,958,420
Other Revenues	19,503,775	1,807,372	17,696,403
Total Revenues	124,513,395	60,858,572	63,654,823
Revenue Distribution:			
Operations & Maintenance	17,486,459	3,569,559	13,916,900
Other Deductions	1,077,007	487,620	589,387
Interest on Deferred	0	0	0
Annual Cost:			
Interest	93,042,899	52,707,044	40,335,855
Investment Repayment	12,814,649	4,094,349	8,720,300
Capitalized Expenses	92,381	0	92,381
Study-Year Adjustments	0	0	0
Total	124,513,395	60,858,572	63,654,823

The table provides a summary of revenue and expense data for the 5-year proposed rate approval period for the combined system.

AC INTERTIE PROJECT.—5-YEAR RATE STUDY SUMMARY PERIOD REVENUES AND EXPENSES

Revenue and expenses	Existing rate step II 230/345/500-kV system 10/1/96 through 9/30/2000	Proposed combined rate study 2/1/96 through 9/30/2000	Difference
Revenues:			
Firm Transmission	105,009,620	90,195,000	14,814,620
Other Revenues	19,503,775	10,714,115	8,789,660
Total Revenues	124,513,395	100,909,115	23,604,280
Revenue Distribution:			
Operations & Maintenance	17,486,459	16,213,099	1,273,360
Other Deductions	1,077,007	2,127,632	(1,050,625)
Interest on Deferred	0	286,491	(286,491)
Annual Cost:			
Interest	93,042,899	71,141,078	21,901,821
Investment Repayment	12,814,649	7,458,773	5,355,876
Capitalized Expenses	92,381	3,682,042	(3,589,661)
Study-Year Adjustments	0	0	0
Total	124,513,395	100,909,115	23,604,280

Basis for Rate Development

The provisional rates were designed to meet cost recovery criteria. The power repayment studies indicate that the proposed rates for firm and nonfirm transmission service are necessary because of the redistribution of costs from the current rate setting study. The current rate setting study anticipated 1,718 MW of capacity available for sale. The existing rates were designed to recover all annual costs and investment repayment of both the existing 230/345-kV transmission lines and the new 500-kV transmission lines. Three major changes are affecting the rates for the AC Intertie.

The first change is the establishment of separate firm transmission rates for the existing 230/345-kV transmission lines and the new 500-kV transmission lines. This change is due to customer comments and concerns during the informal and formal meetings Western held with its customers. Separate PRSs have been prepared for the 500-kV portion and the 230/345-kV portion of the AC Intertie.

The second change is the determination of interest offsets. An interest offset is a credit that is made toward interest expenses. Western is changing its methodology of calculating interest offsets to be consistent with the other power marketing administrations. The old method calculates interest offsets on only the principal that was repaid in the current year. The new method calculates interest offsets on

both the principal and interest for the current year.

The third change is adjustments Western made to data budgeted for investments to the AC Intertie Project. Western's staff determined the total O&M costs on the combined system for the AC Intertie Project and developed a percentage breakdown based upon O&M costs, to determine a method for allocating Other Revenues/Costs.

Existing 230/345-kV Transmission System

Operations and Maintenance expenses have decreased for the 230/345-kV system, since the O&M expenses for the 500-kV transmission system are in a separate power repayment study as well as the additional facilities. The 230/345-kV system is projecting 1,050 MW of capacity for sale.

500-kV Transmission System

There is also an anticipated decrease in current marketable capacity on the new 500-kV system. This is now projected to be 668 MW which is 156 MW decrease from the current rate setting study. Once the 500-kV transmission lines are energized and go into service, these 500-kV transmission lines will become an integral part of the AC Intertie.

Nonfirm Transmission Service

Western decided to maintain one nonfirm transmission service rate for the AC Intertie Project. This maintains consistency with other Western projects and allows for the ability to market

nonfirm transmission service through the WSPP Agreement and Joint Transmission Agreement which Western is a participant. The single nonfirm transmission rate has been derived by calculating a firm rate from a combined transmission line power repayment study. Once the yearly kW rate is determined, it is divided by 8760 hours in a year and multiplied by a 60 percent load factor. This number is then converted to mills/kWh.

Comments

During the 119 day comment period, Western received 10 written comments. In addition, five persons commented during the September 18, 1995, public comment forum. All comments were reviewed and considered in the preparation of this rate order.

Written comments were received from the following sources:

Irrigation & Electrical Districts
Association of Arizona (Arizona)
K. R. Saline & Associates (Arizona)
Arizona Power Authority (Arizona)
Central Arizona Water Conservation District (Arizona)
Salt River Project (Arizona)

Representatives of the following organizations made oral comments:

Irrigation and Electrical Districts
Association of Arizona (Arizona)
K. R. Saline & Associates (Arizona)
Arizona Power Authority (Arizona)
Central Arizona Water Conservation District (Arizona)
Salt River Project (Arizona)

Most of the comments received at the public meetings and in correspondence

were related to the issue on abandoned plant, the separation of the new 500-kV transmission system from the existing system, and the change in the rateresetting methodology from the pinch-point methodology to the CIAR method. All comments were considered in developing the provisional rates.

Comment: The customers support the idea of moving away from the pinch-point methodology to the compound interest amortization repayment method as was done in the Parker-Davis Project.

Response: Western developed power repayment studies based upon the CIAR method and the pinch-point method. After review of these studies with the customers through working groups, the customers request is to remain with the traditional pinch-point methodology. This rate submittal is based upon the pinch-point methodology.

Comment: The rate brochure includes approximately \$13,558,108 in replacements associated with Mead Substation Stage 05. Would Western please provide a breakdown of the proposed work including the rationale to allocate all of these proposed expenditures to the 230/345-kV transmission system project versus the 500-kV transmission system project?

Response: The Intertie Project Proposed Rate Adjustment Brochure refers to replacements at Mead Substation (see page 15) which are part of a multifaceted construction project, Mead Stage 05. The portion of the work related to Intertie expenses is described below (excerpt from the Congressional Budget document Facility Data Sheet):

Activity 2: The work to be performed is as follows:

At Mead: This portion of the project consists of replacing 18 power circuit breakers at Mead Substation, provide new wiring and associated control cabinets, and new line relaying to protect the lines. *Four of the 18 breakers to be replaced are a result of the planned addition of a 500-kV AC transmission line from Liberty Substation to Mead Substation to McCullough Substation, where it will tie into a 500-kV line into the Los Angeles area. The associated costs will be recovered from the Mead-Phoenix 500-kV Project.* Add an additional fault recorder to assist in determining causes of system failures. Provide two vehicle crossing in the switchyard to improve access to equipment necessary for maintenance of the breakers. Replace the bolted bus connections with compression fittings to reduce thermal hot spots. Replace a portion of the station service power distribution system to provide 120VAC convenience power at the breakers. *At Liberty*

Substation: Replace the line relaying and control cabinet.

The objective is to replace the breakers at Mead that are associated with the Intertie facilities. These circuit breakers will be under rated due to increased fault current. The fault current has increased due to the interconnected power system growth in the area.

The southern Division of the Pacific Northwest-Pacific Southwest Intertie Transmission System (Intertie) is part of the Pacific Northwest-Pacific Southwest Intertie authorized August 31, 1964, by Public Law 88-552. The Intertie consists of a 345-kV AC transmission line from Mead Substation, near Hoover Dam and Boulder City, Nevada, to Liberty Substation near Phoenix, Arizona, and a 230-kV line from Liberty Substation to Pinnacle Substation north of Phoenix. The Intertie facilities are interconnected with additional AC Intertie transmission facilities which are owned and operated by various Federal and non-Federal entities.

In the first paragraph of the description, in the bold and underlined portion, it states that: *“Four of the 18 breakers to be replaced are a result of the planned addition of a 500-kV AC transmission line from Liberty Substation to Mead Substation to McCullough Substation, where it will tie into a 500-kV line into the Los Angeles area. The associated costs will be recovered from the Mead-Phoenix 500-kV Project.”* This statement should clarify that the portion of the Intertie expense that is the result of the 500-kV Project has been accounted for and properly funded. The accounting process for the proper expending has been done by accounting adjustments through the use of Journal Vouchers in our financial management system.

Comment: When Western decided to split the Intertie into two separate projects (230/345-kV and 500-kV) how has Western allocated the interconnection facilities between Mead Substation and Market Place Substation? The tie between the two substations was not required for the operation of the existing 345-kV project and therefore should be allocated to the 500-kV project. At a minimum Western needs to identify the offsetting benefits to the existing Intertie customers of these additions.

Response: The tie between Mead Substation and Market Place Substation is 13 miles of 500-kV transmission line. The cost to build, operate and maintain these facilities is being allocated to the 500-kV transmission system.

Comment: It is our understanding that there is approximately 67 MW (Phoenix

to Mead) of excess capacity available of the existing Intertie (345-kV line). Since Western has indicated they believe that they will be successful in marketing 668 MW on the 500-kV project. It seems appropriate that 67 MW of those sales would in reality be contract over the 345-kV line. Would Western provide its rational for not including marketing the additional 67 MW on the 345-kV line before projecting sales on the more expensive 500-kV line.

Response: The referenced 67 MW of transmission system capacity was the estimated amount of capacity that was not under firm contractual arrangements for the existing system. This was stated at the August 18, 1995, public information forum. The existing system for the AC Intertie has a total marketable transmission system capability of 1,050,000 kilowatts.

Western currently has 987,643 kW of the 230/345-kV transmission system capacity under firm contracts.

Comment: Included in Western's FY 1995 10-Year Plan is approximately \$5,016,000 to replace the 345-kV Series Capacitor Control and Bypass System. Has the installation of the 500-kV transmission line caused or contributed to the need to replace the series capacitor controls? Given the fact that the 500-kV transmission line may have excess capacity for some time, is there potential to delay this expenditure until additional transfer capability is needed? What is the rate impact of the proposed replacement of the capacitor controls?

Response: The series capacitor banks at Mead and Liberty substations were installed in July 1977. The PCB capacitor units were replaced in 1992 with new non-PCB units. The pneumatic control system is deteriorating and preliminary review indicates it should be replaced with an electronic and optical control system.

The installation of the 500-kV line did not cause or contribute to the deteriorating of the pneumatic control system. The series capacitors were not included in the cost base of the power repayment study because the projected in-service date went beyond the cost evaluation period for power repayment consideration. Although the costs were not included, a separate study has been run to determine the effect on the rate. The existing system rate would increase about \$.23/kW-year.

Comment: Would Western provide its rational for allocating Other Revenues/Costs on miles of transmission?

Response: Western's staff used the following rationale to distribute projected Other Deductions and Other Revenues for the AC Intertie Project to the two systems as follows:

In the early studies, Western determined the total miles of the AC Intertie Project and developed a percentage breakdown by transmission miles. The existing system (230/345-kV transmission lines) consists of 271 miles of transmission lines or 37 percent of the combined system. The new system (500-kV transmission lines) consists of 458 miles of transmission lines or 63 percent of the combined system.

Based upon customer request and comment, Western changed its methodology and based the other deductions and other revenues upon the total O&M in the combined power repayment study. Western's staff determined the total O&M costs on the combined system for the AC Intertie Project and developed a percentage breakdown based upon O&M costs, to determine a method for allocating Other Revenues/Costs to each of the separate systems. The allocation of other costs and other revenues obtained through the Multiproject Cost calculations, has been applied by the above methodology.

Comment: Would Western provide its rationale for a single nonfirm rate? What has been the historical nonfirm uses of the existing 345-kV system? Would Western please provide its projection of nonfirm energy sales on each of the proposed projects (345-kV and 500-kV)?

Response: Due to customer request to develop a single firm transmission service rate for the 230/345-kV and 500-kV transmission lines, Western decided to maintain one nonfirm transmission service rate for the AC Intertie Project. This maintains consistency with other Western projects and allows for the ability to market nonfirm transmission service through the WSPP Agreement and Joint Transmission Agreement of which Western is a participant. The single nonfirm transmission rate has been derived by calculating a firm rate from a combined transmission line power repayment study. Once the yearly kW rate is determined, it is divided by 8760 hours in a year and multiplied by a 60 percent load factor. This number is then converted to mills/kWh.

Typically, Western's non-firm sales on the existing AC Intertie are made through our membership in the WSPP or under our fuel replacement program. For example, in FY 1995, WSPP sales totaled approximately 195 GWh and revenues of approximately \$2.3 million; fuel replacement sales totaled approximately 67 GWh and revenues of approximately \$670,000.

Projections for non-firm energy sales on the AC Intertie system should remain at the same levels. These sales could be

split between the existing and 500-kV AC Intertie systems in the future.

Western determines future year projections for nonfirm transmission sales revenues for the AC Intertie Project by calculating a 3-year average of total nonfirm sales as reflected in the results of operations. Western does not keep a separate log of nonfirm sales by transmission line voltages; therefore information pertaining to separate projections of nonfirm sales on the 230/345-kV and 500-kV transmission lines is unavailable.

Comment: Western's white paper addresses the options to resolve the \$11.1 million in abandoned plant that Western has indicated as a cost responsibility of the AC Intertie project. We support Western's option number 4, and hereby request Western seek authority through the budget cycle to declare the abandoned plant as nonreimbursable.

Response: With customer support, Western will seek authority through the Department to declare the \$11.1 million of abandoned plant as nonreimbursable.

Comment: Consider the acceptability of directly assigning non-firm transmission revenues, which are based on the historical level of non-firm transmission, to the existing 345/230-kV system. Also, all "Other Revenues and Expenses" would be allocated based on an O&M factor versus the presently proposed "Line Miles" method.

Response: Western has been directly assigning all nonfirm transmission revenues, which are based on the historical level of nonfirm transmission, to the existing 230/345-kV system. We are estimating future nonfirm transmission revenues for the 500-kV system to be \$300,000 per year. Distribution of Other "Revenue and Expenses" which is due to Multiproject Cost and Revenues, are based upon O&M factors.

Comment: (1) Investigate what is included in the \$2.3 million revenue number stated in Western's October 13th letter. (2) What is the appropriate level of GWh for the Intertie and what would be the corresponding level of revenues?

Response: The \$2.3 million of WSPP sales mentioned in the October 13, 1995, letter includes total WSPP nonfirm transactions including energy sales made under WSPP during FY 1995. The transmission portion associated with the AC Intertie is approximately \$70,000. The GWh associated with these particular WSPP nonfirm transmission transactions for FY 1995 was approximately 26 GWh.

Comment: Continue the use of the 1,050,000 KW as the Marketable Capacity for the Existing 230/345 System. This issue centers on whether or not Western needs to reserve 50 MW of capacity on the existing system considering the ability to use both the 230/345-kV lines and 500-kV lines for "operation flexibility."

Response: The 1,050,000 kW is the estimated transmission capacity which is projected to be marketed, for the purposes of determining the existing 230/345-kV AC Intertie rate adjustment. This estimate is based on projected demand for transmission capacity in the region and on transmission service requests received by Western. Transmission capacity in excess of 1,050,000 kW exists on the 230/345-kV AC Intertie system, but is primarily available from Mead Substation to the Phoenix area and is in limited demand. If transmission capacity in excess of 1,050,000 kW is marketed in the future, future rate adjustments will reflect the addition.

Comment: The information distributed by Western at the August 24, 1995, public information forum contains a page of "AC Intertie Project Investments" which are to be assigned to the existing and new systems. All of the investments, except the "Mead-Phoenix 500-kV transmission line" and the "Mead-Adelanto 500-kV transmission line" have been assigned to the existing 230/345 system. Yet, we know that at least a component of the "Mead-Substation Stage 05" investment should be allocated to the 500-kV system, specifically, the costs associated with four (4) of the 18 breakers. What are the costs associated with these four breakers and should any portion of the other investments be assigned to the 500-kV system.

Response: The costs associated with the four breakers which are attributed to the 500-kV system are cost for breaker hardware, installation, sectionalizing breaker, portion of design, portion of switch gear, portion of control boards, and portion of site preparation. The total cost attributed to the 500-kV system is \$1,945,071.

Breakdown of these costs are as follows:

Mead 05 Breaker Hardware	\$589,200
Mead 05 Breaker Installation	494,030
Mead 05 Sectionalizing Breaker	103,345
Mead 05 Portion of Design	98,868
Mead 05 Portion of Switchgear	55,000
Mead 05 Portion of CNTRL Boards	79,448
Portion of Mead: CNTRL Bldg., Site Prep	525,181
Total Itemized Cost:	1,945,071

Western believes that all other investments have been properly allocated to the 230/345-kV system and the 500-kV system. We are in the process of closing out work for the 500-kV system and would be willing to provide detailed information on the allocation of equipment. If an adjustment is necessary, Western will work with customers during the next rate adjustment process.

Comments: Repayment of the Capitalized Deficits in FY 96. In accordance with a customer's request, run a new PRS in which the capitalized deficit is repaid in FY 1996, and then a separate PRS for years 1997 forward.

Response: Based upon the request, Western ran a new study forcing the deficits to be paid by 1996, the results, using the Compound Interest Amortization method are: Rates: FY 1995—\$4.46, FY 1996—\$10.36, FY 1997—\$7.21.

Comment: Customer request Western to determine separate nonfirm transmission rates for the existing 230/345-kV transmission system and the new 500-kV transmission line.

Response: The calculated nonfirm transmission service rate for the 230/345-kV transmission lines is 1.40 mills/kWh. The calculated nonfirm transmission service rate for the 500-kV transmission lines is 3.28 mills/kWh.

Comment: We have heard that the Area Manager of the Boulder City Area Office may have written off the abandoned plant dollars in 1983. Does any document exist writing off the abandoned plant?

Response: Western has not been able to locate the document and is not sure that such a document exists. Area Managers do not have the authority to write off a dollar amount of such magnitude. Western will continue to search for the document and check for the legality of the document.

Environmental Evaluation

In compliance with the National Environmental Policy Act of 1969, 42 U.S.C. 4321 *et seq.*; Council on Environmental Quality Regulations (40 CFR Parts 1500–1508); and DOE NEPA Regulations (10 CFR Part 1021), Western has determined that this action is categorically excluded from the preparation of the environmental assessment or an environmental impact statement.

Executive Order 12866

DOE has determined that this is not a significant regulatory action because it does not meet the criteria of Executive Order 12866, 58 FR 51735. Western has an exemption from centralized

regulatory review under Executive Order 12866; accordingly, no clearance of this notice by OMB is required.

Availability of Information

Information regarding this rate adjustment, including PRSs, comments, letters, memorandums, and other supporting material made or kept by Western for the purpose of developing the power rates, is available for public review at the Desert Southwest Customer Service Region, Western Area Power Administration, Office of the Assistant Regional Manager for Power Marketing, 615 South 43rd Avenue, Phoenix, Arizona 85009–5313; and Power Marketing Liaison Office, Room 8G–027, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585–0001.

Submission to Federal Energy Regulatory Commission

The rates herein confirmed, approved, and placed in effect on an interim basis, together with supporting documents, will be submitted to FERC for confirmation and approval on a final basis.

Order

In view of the foregoing and pursuant to the authority delegated to me by the Secretary of Energy, I confirm and approve on an interim basis, effective February 1, 1996, the Rate Schedules INT-FT2 and INT-NFT2. The rate schedules shall remain in effect on an interim basis, pending FERC confirmation and approval of them or substitute rates on a final basis, through September 30, 2000.

Issued in Washington, D.C., January 30, 1996.

Charles B. Curtis

Supersedes Rate Schedule INT-FT1

*United States Department of Energy
Western Area Power Administration*

Pacific Northwest-Pacific Southwest Intertie Project

Schedule of Rates for Firm Transmission Service

Effective

The first day of the first full billing period beginning on or after February 1, 1996, and will remain in effect through September 30, 2000, or until superseded, whichever occurs first.

Available

In the marketing area served by the Pacific Northwest-Pacific Southwest Intertie Project.

Applicable

To firm transmission service customers where capacity and energy are supplied to the Pacific Northwest-Pacific Southwest Intertie Project (AC Intertie) system at points of interconnection with other systems and transmitted and delivered, on a bi-directional basis, less losses, to points of delivery on the AC Intertie system specified in the service contract.

Character and Conditions of Service

Alternating current at 60 Hertz, three-phase, delivered and metered at the voltages and points of delivery established by contract over the 230/345-kV transmission lines.

Rates 230/345-kv System

Firm Transmission Service Charge: February 1, 1996, through September 30, 1996: \$8.26 per kilowatt per year for each kilowatt delivered at the point of delivery, as established by contract: payable monthly at the rate of \$0.688 per kilowatt.

October 1, 1996, through September 30, 2000: \$6.58 per kilowatt per year for each kilowatt delivered at the point of delivery, as established by contract, payable monthly at the rate of \$0.548 per kilowatt.

Rates 500-kv System

Alternating current at 60 Hertz, three-phase, delivered and metered at the voltages and points of delivery established by contract over the 500-kV transmission lines.

Firm Transmission Service Charge: February 1, 1996, through September 30, 1998: \$17.98 per kilowatt per year for each kilowatt delivered at the point of delivery, as established by contract, payable monthly at the rate of \$1.50 per kilowatt.

October 1, 1998, through September 30, 2000: \$17.23 per kilowatt per year for each kilowatt delivered at the point of delivery, as established by contract, payable monthly at the rate of \$1.44 per kilowatt

Adjustments

For Reactive Power

None. There shall be no entitlement to transfer of reactive kilovolt-amperes at points of delivery, except when such transfers may be mutually agreed upon by contractor and contracting officer or their authorized representatives.

For Losses

Capacity and energy losses incurred in connection with the transmission and delivery of capacity and energy under this rate schedule shall be supplied by

the customer in accordance with the service contract.

Rate Schedule INT-NFT2;Supersedes Rate Schedule INT-NFT1

*United States Department of Energy
Western Area Power Administration*

Pacific Northwest-Pacific Southwest Intertie Project

Schedule of Rates for Nonfirm Transmission Service

Effective

The first day of the first full billing period beginning on or after February 1, 1996, and will remain in effect through September 30, 2000, or until superseded, whichever occurs first.

Available

In the marketing area served by the Pacific Northwest-Pacific Southwest Intertie Project.

Applicable

To nonfirm transmission service customers where capacity and energy are supplied to the Pacific Northwest-Pacific Southwest Intertie Project (AC Intertie) system at points of interconnection with other systems and transmitted and delivered, on a bi-directional basis, less losses, to points of delivery on the AC Intertie system established by contract.

Character and Conditions of Service

Alternating current at 60 Hertz, three-phase, delivered and metered at the voltages and points of delivery established by contract.

Rate

Nonfirm Transmission Service Charge: 2.00 mills per kilowatthour of the scheduled delivered kilowatthours at the point of delivery, established by contract, payable monthly.

Adjustments

For Reactive Power

None. There shall be no entitlement to transfer of reactive kilovolt-amperes at points of delivery, except when such transfers may be mutually agreed upon by contractor and contracting officer or their authorized representatives.

For Losses

Capacity and energy losses incurred in connection with the transmission and delivery of capacity and energy under this rate schedule shall be supplied by the customer in accordance with the service contract.

[FR Doc. 96-2523 Filed 2-6-96; 8:45 am]

BILLING CODE 6450-01-P

ENVIRONMENTAL PROTECTION AGENCY

[OPP-180987; FRL 4994-6]

Bifenthrin; Receipt of Application for Emergency Exemption, Solicitation of Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA has received a specific exemption request from the California Department of Pesticide Regulation (hereafter referred to as the "Applicant") for use of the pesticide, bifenthrin (Capture), to control silverleaf whitefly (SWF) on up to 40,000 acres of leaf lettuce and 22,000 acres of broccoli, cauliflower, cabbage and rapini. In accordance with 40 CFR 166.24, EPA is soliciting public comment before making the decision whether or not to grant the exemption.

DATES: Comments must be received on or before February 22, 1996.

ADDRESSES: Three copies of written comments, bearing the identification notation "OPP-180987," should be submitted by mail to: Public Response and Human Resource Branch, Field Operations Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring comments to: Rm. 1132, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Comments and data may also be submitted electronically by sending electronic mail (e-mail) to: opp-docket@epamail.epa.gov. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on disks in WordPerfect in 5.1 file format or ASCII file format. All comments and data in electronic form must be identified by the docket number [OPP-180987]. No Confidential Business Information (CBI) should be submitted through e-mail. Electronic comments on this notice may be filed online at many Federal Depository Libraries. Additional information on electronic submissions can be found below in this document.

Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as (CBI). Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain CBI must be provided by the

submitter for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All written comments filed pursuant to this notice will be available for public inspection in Rm. 1132, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA, from 8 a.m. to 4:30 p.m., Monday through Friday, except legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Margarita Collantes, Registration Division (7505W), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: 6th Floor, Crystal Station I, 2800 Jefferson Davis Highway, Arlington, VA, (703) 308-8347; e-mail: collantes.margarita@epamail.epa.gov.

SUPPLEMENTARY INFORMATION: Pursuant to Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), the Administrator may, at her discretion, exempt a State agency from any registration provision of FIFRA if she determines that emergency conditions exist which require such exemption. The Applicant has requested the Administrator to issue a specific exemption for use of the bifenthrin, available as Capture 2EC from FMC Corporation, to control silverleaf whitefly on up to 40,000 acres of leaf lettuce and 22,000 acres of broccoli, cauliflower, cabbage and rapini in California. Information in accordance with 40 CFR part 166 was submitted as part of this request.

According to the Applicant, California still does not have material that will provide them with satisfactory late season control of the silverleaf whitefly. The registrant (Miles, Inc.) for the registered alternative product imidacloprid (Admire/Provado) does not want growers to use imidacloprid throughout the growing season in order to eliminate any potential that the whitefly may develop a resistant gene to imidacloprid. When used as a combination, Imidacloprid (Admire) and bifenthrin (Capture) allowed the growers to maintain the ability to grow a marketable crop in 1993 and 1994. Without the use of bifenthrin, the growers are forced into a situation in which they must do multiple sprays with less effective materials. The Applicant believes the use of bifenthrin as a foliar spray in combination with imidacloprid at planting will provide excellent control of whiteflies. Without the use of bifenthrin, the Applicant claims that growers will suffer significant economic loss this growing season.