

DEPARTMENT OF ENERGY**Western Area Power Administration****Energy Imbalance Service**

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of proposed rate.

SUMMARY: The Western Area Power Administration (Western) is proposing a revision to the current rate schedule for Energy Imbalance Service for the Western Area Colorado Missouri control area (WACM).

The Department of Energy (DOE) Deputy Secretary approved rates for Transmission and Ancillary Services, including Energy Imbalance Service, on March 23, 1998 (Rate Order No. WAPA-80, published in the **Federal Register** on April 6, 1998). The Federal Energy Regulatory Commission (FERC) confirmed and approved the rate schedule on July 21, 1998, under FERC Docket No. EF98-5181-000. Rate Schedule L-AS4, the rate schedule for Energy Imbalance Service, was contained within Rate Order No. WAPA-80 and became effective on April 1, 1998, for the period ending March 31, 2003.

The proposed rate is a revision to L-AS4 and provides sufficient revenue to pay annual costs incurred in WACM's management of control area resources and obligations. The proposed rate is scheduled to go into effect on April 1, 2002, and will remain in effect through March 31, 2003. This **Federal Register** notice begins the formal process for the proposed rate.

DATES: The consultation and comment period begins with the publication of this notice and ends on January 31, 2002. An informal public information meeting will be held on January 15, 2002. No public comment forum will be held.

ADDRESSES: If you wish to submit comments, please do so in writing and address them to: Mr. Joel K. Bladow, Regional Manager, Rocky Mountain Customer Service Region, Western Area Power Administration, 5555 East Crossroads Boulevard, Loveland, CO 80538-8986. Western must receive written comments by January 31, 2002, to be assured consideration.

FOR FURTHER INFORMATION CONTACT: Mr. Daniel T. Payton, Rates Manager, Rocky Mountain Customer Service Region, Western Area Power Administration, 5555 East Crossroads Boulevard, Loveland, CO 80538-8986, telephone (970) 461-7442, e-mail dpayton@wapa.gov.

SUPPLEMENTARY INFORMATION: The proposed rate is needed to adequately recover the cost of energy purchased when entities conducting business within WACM are unable to match their resources and obligations accurately.

The current rate schedule L-AS4 provides for the ability to charge 100 mills per kilowatt-hour for under deliveries occurring more than five times per month outside of a bandwidth of $\pm 1.5\%$. Within the bandwidth, the customer returns energy to Western. For over deliveries, the current rate schedule provides for the Transmission Customer to be credited up to 50 percent of the regional average monthly price for non-firm purchases.

WACM has experienced a great deal of price volatility over the last year, with prices ranging from a high of \$575 per megawatt (MW) on-peak to a low of \$22 per MW on-peak. WACM, as a control area operator, has final responsibility for balancing resources against obligations. As such, in times of deficit energy, WACM is required to purchase energy to keep the control area in balance. The existing 100-mill charge is inadequate to repay the costs of balancing energy in a high-cost market. At other times, it may be excessive. This proposed pass-through cost methodology will result in an equitable recovery of expenses.

Any change to Energy Imbalance Service will be as set forth in a revision to this schedule pursuant to applicable Federal laws, regulations, and policies and made part of the applicable service agreement.

Formula Rate

Western provides Energy Imbalance Service when there is a difference between a customer's resources and obligations. Energy Imbalance is calculated as resources minus obligations (adjusted for losses) for any combination of scheduled transfers/ transactions located within WACM over each hour. Resources are defined as the quantity of actual generation plus scheduled resources, imports, or receipts. Obligations are defined as the quantity of actual deliveries plus scheduled obligations, exports or deliveries plus losses not accounted for separately. Some deviation from zero is expected, and a bandwidth is established to accommodate reasonable variations from an exact match of obligations and resources. Deviation beyond that bandwidth is not considered to be prudent utility practice.

WACM will establish a bandwidth of ± 4 percent (8 percent bandwidth), with a minimum deviation of 2 megawatts

(MW) to be applied hourly to any energy imbalance that occurs as a result of a difference in the customers' resources and obligations. WACM has proposed this increase in the bandwidth because the original rate schedule's bandwidth of ± 1.5 percent was not reasonable with regard to current industry instrumentation accuracy, which is approximately 1 percent. WACM proposes to increase the bandwidth to ± 4 percent to accommodate a wider range of customers' imbalances in a non-punitive manner, while still recovering WACM's expenses to balance energy. Four percent was determined to be the maximum capacity risk that WACM was willing to consider. With an estimated average control area load of 2,900 MW, the selection of a 4 percent bandwidth creates a capacity risk of 116 MW for WACM. The 2 MW minimum deviation accommodates a situation where entities with smaller loads are not harmed by the industry standard of scheduling in whole megawatts.

All Energy Imbalance Service provided, both inside and outside the bandwidth, will be handled through financial settlement, accounted for hourly, at the end of each month.

Within the established bandwidth, charges for under deliveries or compensation for over deliveries will be aggregated and distributed to customers on a pass-through cost basis. The intent is to keep the control area whole within this range. Prices inside the bandwidth will be based on WACM's weighted average of nonfirm purchases and sales.

Outside the bandwidth, WACM will provide disincentives for those exceeding the established limits. These disincentives will be in the form of higher charges for under deliveries and lower compensation for over deliveries. Prices outside the bandwidth will be based on WACM's marginal nonfirm purchases or sales.

Within the Bandwidth

Within the bandwidth, the gross energy imbalance for each applicable entity within WACM shall be totaled and netted to determine an aggregate energy imbalance for WACM. The sign of the net amount will determine which of the following pricing mechanisms will apply:

For excursions by individual customers during hours of WACM *net over-delivery*, WACM will provide the customer with a financial charge for under deliveries or credit for over deliveries, as applicable, equal to 100 percent of the weighted average of nonfirm Loveland Area Projects (LAP) energy sale prices for that hour made by Western's Energy Management and

Marketing Office (EMMO) in Montrose. If during the hour in question, there are no LAP sales by EMMO, WACM will use the daily on-or off-peak weighted average nonfirm energy LAP sale prices. If there were no LAP sales made by EMMO during the day in question, then the Palo Verde nonfirm index will be used for on- and off-peak hours.

For excursions by individual customers during hours of WACM *net under-delivery*, for each hour, WACM will provide the customer with a financial charge for under deliveries or credit for over deliveries, as applicable, equal to 100 percent of the weighted average of nonfirm energy LAP purchase prices for that hour made by EMMO. If during the hour in question, there are no LAP purchases by EMMO, WACM will use the daily on-or off-peak weighted average of nonfirm LAP purchase prices. If there were no LAP purchases made by EMMO during the day in question, then the Palo Verde nonfirm index will be used for on- and off-peak hours.

Transmission expenses incurred in the sale or purchase of balancing energy will be factored in the sale and purchase prices.

Outside the Bandwidth

Outside the bandwidth, aggregated WACM energy imbalance will not be taken into account. Each entity within WACM will be charged or credited independently for energy imbalance service taken.

For *positive* excursions (over deliveries) outside the bandwidth, WACM will credit the customer for 90 percent of the weighted average of the lowest marginal nonfirm energy LAP sale prices for that hour made by EMMO. If during the hour in question, there are no LAP sales, WACM will use 90 percent of the weighted average of the lowest marginal nonfirm energy LAP sale prices for the day. If there were no LAP sales made by EMMO during the day in question, WACM will use 90 percent of the Palo Verde nonfirm index for on- and off-peak hours.

For *negative* excursions (under deliveries) outside the bandwidth, WACM will charge the customer 110 percent of the weighted average of the

highest marginal nonfirm energy LAP purchase prices for that hour made by EMMO. If during the hour in question, there are no LAP purchases, WACM will use 110 percent of the weighted average of the highest marginal nonfirm LAP purchase prices for the day. If there were no LAP purchases made by EMMO during the day in question, WACM will use 110 percent of the Palo Verde nonfirm index for on- and off-peak hours.

Transmission expenses incurred in the sale or purchase of balancing energy will be factored in the sale and purchase prices.

WACM reserves the right to offer no financial credit during periods when control area operations are compromised by over-delivery; *e.g.*, during periods of high water or other operating constraints.

WACM will keep hourly records of Energy Imbalance Service amounts by customer and will produce a monthly report showing such amounts.

In the case of a generator imbalance where the generator is jointly owned, the charges/credits for Energy Imbalance Service will be assigned to the operating agent of the generator, unless WACM has been provided with a signed agreement from the generator owners designating a specific methodology used to allocate among owners and entitlements, the amount of aggregate energy imbalance due to the generator(s). Western reserves the right to refuse a designation that does not provide for the full and accurate recovery of all energy imbalance existing among owners/ entitlements.

Physical Resource Loss

Western recognizes that the loss of a physical resource/generator, by virtue of an uncontrollable event (forced outage), can represent a significant percentage of an entity's resource, and may result in an out-of-bandwidth condition. Western proposes to lessen the impact of such instances by widening the bandwidth an additional amount to accommodate the amount of time required for an emergency response. This would be equivalent to the entity's resource loss in MW, divided by 8. The divisor of 8

is justified by the 15-minute response requirement, divided in half. The period immediately preceding the resource loss should have production on-schedule and the period after the loss should have the group response on-schedule.

The 15-minute period immediately following the trip would begin with an out-of-balance condition in the amount of the entity's schedule/allocation from the off-line unit and end with a balanced condition due to the group response. Thus, the amount of imbalance in the 15-minute period would be one-half of the energy in that period, for a total of one-eighth of the schedule from the tripped unit for that hour. The standard bandwidth would be extended by that one-eighth amount for either the hour of the trip or the hour of the trip and the next hour, depending on whether or not the 15-minute period rested entirely within an hour or overlapped into the following hour.

Western would also apply this expanded bandwidth to those cases where there is the loss of a resource (either internal to or scheduled into WACM) by virtue of an uncontrollable event, which is replaced for 1 or 2 hours by a coordinated response from a Western-recognized reserve-sharing group.

Western would provide a similarly expanded bandwidth of 1 to 2 hours for those members of a bona fide reserve-sharing group whose calculation of energy imbalance is pushed out of balance by virtue of a response to another member's loss of a unit during a reserve group activation. In this case, the expanded bandwidth would be the supplying members' response level for the trip, divided by 8. Again, the divisor of 8 is justified by the 15-minute response requirement, divided in half.

Sample Calculations

Within the Bandwidth

Within the bandwidth, credits and charges will be based on the weighted average of all nonfirm energy sales or purchases made within the hour or day, as depicted in Table 1:

TABLE 1

Credits for Over Deliveries: Weighted Average Nonfirm Sale Price (WANSP)	Charges for Under Deliveries: Weighted Average Nonfirm Purchase Price (WANPP)
<p>Scenario: Aggregate over delivery</p> <p>Sale #1 25 MW @ \$200 (\$5,000)</p> <p>Sale #2 25 MW @ \$100 (\$2,500)</p> <p>Sale #3 25 MW @ \$ 43 (\$1,075)</p> <p>Sale #4 25 MW @ \$ 25 (\$ 625)</p> <p>Calculation:</p> <p>(\$5,000+\$2,500+\$1,075+\$625) = \$9,200</p>	<p>Scenario: Aggregate under delivery</p> <p>Purchase #1 100 MW @ \$200 (\$20,000)</p> <p>Purchase #2 50 MW @ \$100 (\$5,000)</p> <p>Purchase #3 100 MW @ \$ 65 (\$6,500)</p> <p>Purchase #4 50 MW @ \$ 35 (\$1,750)</p> <p>Calculation:</p> <p>(\$20,000+\$5,000+\$6,500+\$1,750) = \$33,250</p>

TABLE 1—Continued

Credits for Over Deliveries: Weighted Average Nonfirm Sale Price (WANSP)	Charges for Under Deliveries: Weighted Average Nonfirm Purchase Price (WANPP)
\$9,200/100 MW = \$92 WANSP: \$92/MW Or Palo Verde posted rate, if no sales (Applicable transmission cost deducted)	\$33,250/300 MW = \$110.83 WANPP: \$110.83/MW Or Palo Verde posted rate, if no purchases (Applicable transmission cost added)

Outside the Bandwidth

Reference is made above to the weighted average of the lowest and highest marginal nonfirm sale and

purchase price(s) for the hour or day that a sale or purchase is made by EMMO. These prices will apply only to imbalances outside the bandwidth. The

weighted average of the lowest and highest marginal nonfirm energy sale and purchase prices will be derived as depicted in Table 2:

TABLE 2

Credits for Over Deliveries: Weighted Average Lowest Marginal Nonfirm Sale Price (WALMNSP)	Charges for Under Deliveries: Weighted Average Highest Marginal Nonfirm Purchase Price (WAHMNPP)
Scenario: Customer surplus 35 MW Sale #1 25 MW @ \$25 (\$625) Sale #2 25 MW @ \$43 (\$1,075) Sale #3 25 MW @ \$100 (\$2,500) Sale #4 25 MW @ \$200 (\$5,000) Calculation keys off of surplus of 35 MW: (\$625)+(10 MW × \$43) = \$1,055 \$1,055 / 35 MW = \$30.14 WALMNSP: \$30.14/MW × 90 percent = \$27.13/MW Or Palo Verde posted rate, if no sales (Applicable transmission cost deducted)	Scenario: Customer deficit 175 MW Purchase #1 100 MW @ \$200 (\$20,000) Purchase #2 50 MW @ \$100 (\$5,000) Purchase #3 100 MW @ \$65 (\$6,500) Purchase #4 50 MW @ \$35 (\$1,750) Calculation keys off deficit of 175 MW: (\$20,000)+(\$5,000)+(25 MW × \$65) = \$26,625 \$26,625 / 175 MW = \$152.14 WAHMNPP: \$152.14/MW × 110 percent = \$167.36/MW Or Palo Verde posted rate, if no purchases (Applicable transmission cost added)

Procedural Requirements

The proposed rate will result in a minor rate adjustment as defined at 10 CFR 903.2. A minor rate adjustment is one that will not increase annual revenue of the power system by more than 1 percent. The proposed rate will accomplish a pass-through of costs incurred to purchase energy to balance the control area, resulting in only incidental changes in net revenue. An informal public information meeting will be held on January 15, 2002, at the Rocky Mountain Customer Service Region Office. No public comment forum will be held. The comment period will end on January 31, 2002. All comments must be sent to the address listed in the Addresses section. Western will review written comments received during the comment period and will recommend that the proposed rate or a revised proposed rate be approved on an interim basis by the DOE Deputy Secretary.

The proposed rate for Energy Imbalance Service is being established pursuant to the Department of Energy Organization Act, 42 U.S.C. 7101–7352; the Reclamation Act of 1902, ch. 1093, 32 Stat. 388, as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939, 43, U.S.C. 485h(c); and other acts

specifically applicable to the projects involved.

By Amendment No. 3 to Delegation Order No. 0204–108, published November 10, 1993 (58 FR 59716), the Secretary of DOE delegated (1) the authority to develop long-term power and transmission rates on a nonexclusive basis to Western's Administrator; and (2) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC. In Delegation Order No. 0204–172, effective November 24, 1999, the Secretary of Energy delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary. Existing DOE procedures for public participation in power rate adjustments are found at 10 CFR part 903.

Availability of Information

Comments, letters, memorandums, or other documents made or kept by Western in developing the proposed rate will be made available for inspection and copying at the Rocky Mountain Customer Service Region, located at 5555 East Crossroads Boulevard, Loveland, CO 80538–8986.

Regulatory Procedural Requirements*Regulatory Flexibility Analysis*

The Regulatory Flexibility Act of 1980 (5 U.S.C. 601, *et seq.*) requires Federal agencies to perform a regulatory flexibility analysis if a final rule is likely to have a significant economic impact on a substantial number of small entities and there is a legal requirement to issue a general notice of proposed rulemaking. Western has determined that this action does not require a regulatory flexibility analysis since it is a rulemaking of particular applicability involving rates or services applicable to public property.

Environmental Compliance

In compliance with the National Environmental Policy Act of 1969 (NEPA) (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 determined that this action is categorically excluded from the preparation of an environmental assessment or an environmental impact statement.

Determination Under Executive Order 12866

Western has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no

clearance of this notice by the Office of Management and Budget is required.

Small Business Regulatory Enforcement Fairness Act

Western has determined that this rule is exempt from Congressional notification requirements under 5 U.S.C. 801 because the action is a rulemaking of particular applicability relating to rates or services and involves matters of procedure.

Dated: December 5, 2001.

Michael S. HacsKaylo,
Administrator.

[FR Doc. 01-31347 Filed 12-19-01; 8:45 am]

BILLING CODE 6450-01-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL-7120-4]

Agency Information Collection Activities: Proposed Collection; Comment Request; Servicing of Motor Vehicle Air Conditioners

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this document announces that EPA is planning to submit the following renewal of the Information Collection Request (ICR) to the Office of Management and Budget (OMB): Servicing of Motor Vehicle Air Conditioners, OMB Control Number 2060-0247, EPA Number 1617.04, which will expire on May 31, 2002. Before submitting the ICR to OMB for review and approval, EPA is soliciting comments on specific aspects of the proposed information collection as described below.

DATES: Comments must be submitted on or before February 19, 2002.

ADDRESSES: Global Programs Division, (6205-J), 1200 Pennsylvania Avenue, NW., Washington, DC 20460. To obtain a copy of the ICR, free of charge, you may contact the Stratospheric Ozone Hotline at 1/800-296-1996.

FOR FURTHER INFORMATION CONTACT: Nancy Smagin 202-564-9126 202-564-2156 smagin.nancy.epa.gov.

SUPPLEMENTARY INFORMATION:

Affected entities: Entities potentially affected by this action are those that service motor vehicle air conditioners. Entities that service motor vehicle air conditioners must send a one-time recovery/recycle equipment certification to EPA. New technical colleges seeking

EPA authorization to certify technicians to service motor vehicle air conditioners. Additional laboratories, although highly unlikely, seeking to become EPA certified to test refrigerant, which has been reclaimed to the industry standard.

Title: "Servicing of Motor Vehicle Air Conditioners"

OMB Control No.: 2060-0247; EPA ICR No. 1617.04, expiring on May 31, 2002.

Abstract: Section 609(d)(3)-(4) of the Act requires that all entities that service motor vehicle air conditioners acquire approved refrigerant recycling equipment. Proposed automotive technician certification programs are required to be approved by EPA in section 609(b)(4). Under section 609(b)(2)(A), independent laboratories must seek EPA approval to assure that they meet an industry accepted standard of quality. Owners may show that they possess substantially identical equipment as addressed in section 609(b)(2)(B), and obtain certification from EPA. The recordkeeping requirements for motor vehicle recycling programs are derived from section 114 of the Act. Responses collected or recorded are required to ensure that EPA standards are met, and are consistent with the least stringent of the Society of Automotive Engineers (SAE) J standards.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR Chapter 15.

The EPA would like to solicit comments to:

(i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(iii) Enhance the quality, utility, and clarity of the information to be collected; and

(iv) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Burden Statement: The estimated annual burden associated with recordkeeping is 5,320 hours, and the total annual costs are estimated at \$266,000. The estimated annual reporting burden is estimated at 3,562 hours, and the total annual costs are estimated at \$178,100. The total annual public burden of capital/start-up and total burden hours is 8,882, and the summary total of all capital/start-up costs and total annual costs is \$444,100.

Dated: December 12, 2001.

Paul Stolpman,

Director, Office of Atmospheric Programs.

[FR Doc. 01-31345 Filed 12-19-01; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL-7120-7]

Agency Information Collection Activities: Submission for OMB Review; Renewal; Federal Plan Recordkeeping and Reporting Requirements for Large Municipal Waste Combustors Constructed on or Before September 20, 1994 (Subpart FFF)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this document announces that the following Information Collection Request (ICR) has been forwarded to the Office of Management and Budget (OMB) for review and approval: Federal Plan Recordkeeping and Reporting Requirements for Large Municipal Waste Combustors Constructed on or Before September 20, 1994 (subpart FFF), ICR Number, 1847.02, OMB Control Number, 2060-0390, expiration date, December 31, 2001. The ICR describes the nature of the information collection and its expected burden and cost; where appropriate, it includes the actual data collection instrument.

DATES: Comments must be submitted on or before January 22, 2002.

FOR FURTHER INFORMATION CONTACT: For a copy of the ICR contact Susan Auby at EPA by phone at (202) 260-4901, by E-mail at auby.susan@epamail.epa.gov, or download off the Internet at <http://www.epa.gov/icr> and refer to EPA ICR No. 1847.20. For technical questions about the ICR contact Carolyn Young, 202-564-7062, Office of Compliance, young.carolyn@epa.gov.

SUPPLEMENTARY INFORMATION: