

energy for pumping in storage as of the end of the month preceding the specified month.)

(Cost of energy in storage is equal to the weighted average cost of energy for pumping for the month preceding the specified month times the energy for pumping in storage at the end of the month preceding the specified month.)

- = Dollars cost of energy purchased or supplied for the benefit of the customer for pumping during the specified month, including all direct costs to deliver energy to the project.
- = Kilowatt-hours of energy purchased or supplied for the benefit of the customer for pumping during the specified month.
- = Energy loss factor for transmission on energy purchased or supplied for the benefit of the customer for pumping (Expected to be .03 or three percent.)
- = Kilowatt-hours of energy in storage as of the end of the month immediately preceding the specified month.
- = Weighted average cost of energy for pumping for the month immediately preceding the specified month.

(Weighted average energy conversion factor is equal to the energy generated from pumping divided by the total energy for pumping)

- = Energy generated from pumping.
- = Weighted average energy loss factor on energy delivered by the facilitator to the customer.

#### *Energy To Be Furnished by the Government*

The Government will sell to the Customer and the Customer will purchase from the Government energy each billing month equivalent to a percentage specified by contract of the energy made available to the Facilitator (less any losses required by the Facilitator). The Customer's contract demand and accompanying energy will be allocated proportionately to its individual delivery points served from the Facilitator's system.

#### *Billing Month*

The billing month for power sold under this schedule shall end at 12:00 midnight on the last day of each calendar month.

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**BILLING CODE 6450-01-P**

## **DEPARTMENT OF ENERGY**

### **Southeastern Power Administration**

#### **Jim Woodruff Project Power Rates, Rate Order No. 42**

**AGENCY:** Southeastern Power Administration, DOE.

**ACTION:** Notice of rate order.

**SUMMARY:** The Secretary of Department of Energy, confirmed and approved, on an interim basis, Rate Schedules JW-1-G and JW-2-D. The rates were approved on an interim basis through September 19, 2005, and are subject to confirmation and approval by the Federal Energy Regulatory Commission on a final basis.

**DATES:** Approval of rate on an interim basis is effective through September 19, 2005.

#### **FOR FURTHER INFORMATION CONTACT:**

Leon Jourolmon, Assistant Administrator, Finance & Marketing, Southeastern Power Administration, Department of Energy, 1166 Athens Tech Road, Elberton, Georgia 30635-6711, (706) 213-3800.

**SUPPLEMENTARY INFORMATION:** The Federal Energy Regulatory Commission, by Order issued November 9, 2000, in Docket No. EF00-3031-000, confirmed and approved Wholesale Power Rate Schedules JW-1-F and JW-2-C. Rate schedules JW-1-G and JW-2-D replace these schedules.

Dated: July 25, 2002.

**Spencer Abraham,**  
*Secretary.*

#### **Order Confirming and Approving Power Rates on an Interim Basis**

Pursuant to Sections 302(a) and 301(b) of the Department of Energy Organization Act, Public Law 95-91, the functions of the Secretary of the Interior and the Federal Power Commission under Section 5 of the Flood Control Act of 1944, 16 U.S.C. 825s, relating to the Southeastern Power Administration (Southeastern) were transferred to and vested in the Secretary of Energy. By Delegation Order No. 0204-108, effective May 30, 1986, 51 FR 19744 (May 30, 1986) the Secretary of Energy delegated to the Administrator the authority to develop power and transmission rates, and delegated to the Under Secretary the authority to confirm, approve, and place in effect such rates on an interim basis and delegated to the Federal Energy Regulatory Commission (FERC) the authority to confirm and approve on a final basis or to disapprove rates developed by the Administrator under the delegation. On December 6, 2001, the Secretary of Energy issued Delegation Order No. 00-001.00, granting the Deputy Secretary authority to confirm, approve, and place into effect Southeastern's rates on an interim basis. Because there is no Deputy Secretary at the

present time, the Secretary of Energy has exercised his authority to confirm, approve, and place into effect on an interim basis the rate schedules in Southeastern Rate Order No. SEPA-42.

#### **Background**

Power from the Jim Woodruff Project is presently sold under Wholesale Power Rate Schedules JW-1-F and JW-2-C. These rate schedules were approved by the FERC on November 9, 2000, for a period ending September 19, 2005 (93 FERC 62100).

#### *Public Notice and Comment*

Southeastern prepared a Power Repayment Study, dated March of 2002, that showed that revenues at current rates were not adequate to meet repayment criteria. A revised study with a revenue increase of \$331,000 produced rates that are adequate to meet repayment criteria. On April 11, 2002, by **Federal Register** Notice 70 FR 17686, Southeastern proposed a rate adjustment of about 5.7 percent to recover this revenue. The notice also announced a Public Information and Comment Forum to be held May 16, 2002, in Tallahassee, Florida, with a deadline for written comments of July 10, 2002. Southeastern received no comments on the proposed rates.

#### **Discussion**

##### *System Repayment*

An examination of Southeastern's revised system power repayment study, prepared in April 2002, for the Jim Woodruff Project, shows that with the proposed rates, all system power costs are paid within the 50-year repayment period required by existing law and DOE Procedure RA 6120.2. The Administrator of Southeastern has certified that the rates are consistent with applicable law and that they are the lowest possible rates to customers consistent with sound business principles.

##### *Environmental Impact*

Southeastern has reviewed the possible environmental impacts of the rate adjustment under consideration and has concluded that, because the adjusted rates would not significantly affect the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, the proposed action is not a major Federal action for which preparation of an Environmental Impact Statement is required.

##### *Availability of Information*

Information regarding these rates, including studies, and other supporting materials is available for public review in the offices of Southeastern Power Administration, 1166 Athens Tech Road, Elberton, Georgia 30635-6711.

##### *Submission to the Federal Energy Regulatory Commission*

The rates hereinafter confirmed and approved on an interim basis, together with supporting documents, will be submitted promptly to the Federal Energy Regulatory Commission for confirmation and approval on a final basis for a period beginning September 20, 2002, and ending no later than September 19, 2005.

**Order**

In view of the foregoing and pursuant to the authority delegated to me by the Secretary of Energy, I hereby confirm and approve on an interim basis, effective September 20, 2002, attached Wholesale Power Rate Schedules JW-1-G and JW-2-D. The rate schedules shall remain in effect on an interim basis through September 19, 2005, unless such period is extended or until the FERC confirms and approves them or substitute rate schedules on a final basis.

Dated: July 25, 2002.

**Spencer Abraham,**  
Secretary.

**Proposed Wholesale Power Rate Schedule JW-1-G****Availability**

This rate schedule shall be available to public bodies and cooperatives served by the Florida Power Corporation and having points of delivery within 150 miles of the Jim Woodruff Project (hereinafter called the Project).

**Applicability**

This rate schedule shall be applicable to firm power and accompanying energy made available by the Government from the Project and sold in wholesale quantities.

**Character of Service**

The electric capacity and energy supplied hereunder will be three-phase alternating current at a nominal frequency of 60 cycles per second delivered at the delivery points of the customer.

**Monthly Rate**

The monthly rate for capacity and energy made available or delivered under this rate schedule shall be:

**Demand Charge**

\$5.79 per kilowatt of monthly contract demand

**Energy Charge**

16.25 mills per kilowatt hour

**Billing Demand**

The monthly billing demand for any billing month shall be the lower of (a) the Customer's contract demand or (b) the sum of the maximum 30-minute integrated demands for the month at each of the Customer's points of delivery; provided, that, if an allocation of contract demand to delivery points has become effective, the 30-minute maximum integrated demand for any point of delivery shall not be considered to be greater than the portion of the Customer's contract demand allocated to that point of delivery.

**Contract Demand**

The contract demand is the amount of capacity in kilowatts stated in the contract which the Government is obligated to supply and the Customer is entitled to receive.

**Energy Made Available**

During any billing month in which the Government supplies all the Customer's capacity requirements, the Government will make available such when both the Government and the Florida Power Corporation are supplying capacity to a delivery point, each kilowatt of capacity supplied to such point during such month will be considered to be accompanied by an equal quantity of energy.

**Billing Month**

The billing month for power sold under this schedule shall end at 12 midnight on the 20th day of each calendar month.

**Conditions of Service**

The customer shall, at its own expense, provide, install, and maintain on its side of each delivery point the equipment necessary to protect and control its own system. In so doing, the installation, adjustment, and setting of all such control and protective

equipment at or near the point of delivery shall be coordinated with that which is installed by and at the expense of the Florida Power Corporation on its side of the delivery point.

**Service Interruption**

When energy delivered to the Customer's system for the account of the Government is reduced or interrupted for one hour or longer, and such reduction or interruption is not due to conditions on the Customer's system or has not been planned and agreed to in advance, the demand charge for the month shall be appropriately reduced.

**Proposed Wholesale Power Rate Schedule JW-2-D****Availability**

This rate schedule shall be available to the Florida Power Corporation (hereinafter called the Company).

**Applicability**

This rate schedule shall be applicable to electric energy generated at the Jim Woodruff Project (hereinafter called the Project) and sold to the Company in wholesale quantities.

**Points of Delivery**

Power sold to the Company by the Government will be delivered at the connection of the Company's transmission system with the Project bus.

**Character of Service**

Electric power delivered to the Company will be three-phase alternating current at a nominal frequency of 60 cycles per second.

**Monthly Rate**

The monthly rate for energy sold under this schedule shall be equal to 70 percent of the calculated saving in the cost of fuel per KWH to the Company determined as follows:

$$\text{Energy Rate} = 70\% \times \frac{F_m}{S_m} [\text{Computed to the nearest } \$0.00001 (\frac{1}{100} \text{ mill}) \text{ per KWH}]$$

Where:

F<sub>m</sub> = Company fuel cost in the current period as defined in Federal Power Commission Order 517 issued November 13, 1974, Docket No. R-479.

S<sub>m</sub> = Company sales in the current period reflecting only losses associated with wholesale sales for resale. Sale shall be equated to the sum of (a) generation, (b) purchases, (c) interchange-in, less (d) inter-system sales, less estimated wholesale losses (based on average transmission loss percentage for preceding calendar year).

Method of Application: The energy rate applied during the current billing month will be based on costs and equated sales for the second month preceding the billing month.

**Determination of Energy Sold**

Energy will be furnished by the Company to supply any excess of Project use over Project generation. Energy so supplied by the Company will be deducted from the actual deliveries to the Company's system to determine the net deliveries for energy accounting and billing purposes. Energy for Project use shall consist of energy used for station service, lock operation, Project yard, village lighting, and similar uses.

The on-peak hours shall be the hours between 7 a.m. and 11 p.m., Monday through Sunday, inclusive. Off-peak hours shall be all other hours.

All energy made available to the Company shall, to the extent required, be classified as energy transmitted to the Government's preference customers served from the Company's system. All energy made available to the Company from the Project

shall be separated on the basis of the metered deliveries to it at the Project during on-peak and off-peak hours, respectively. Deliveries to preference customers of the Government shall be divided on the basis (with allowance for losses) of 77 percent being considered as on-peak energy and 23 percent being off-peak energy. Such percentages may by mutual consent be changed from time to time as further studies show to be appropriate. In the event that in classifying energy there is more than enough on-peak energy available to supply on-peak requirements of the Government's preference customers but less than enough off-peak energy available to supply such customers off-peak requirements, such excess on-peak energy may be applied to the extent necessary to meet off-peak requirements of such customers in lieu of purchasing deficiency energy to meet such off-peak requirements.

**Billing Month**

The billing month under this schedule shall end at 12 midnight on the 20th day of each calendar month.

**Power Factor**

The purchaser and seller under this rate schedule agree that they will both so operate their respective systems that neither party will impose an undue reactive burden on the other.

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## DEPARTMENT OF ENERGY

### Western Area Power Administration

#### Parker-Davis Project—Extension of Electric Power Resource Commitments by Application of the Energy Planning and Management Program Power Marketing Initiative

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Notice of proposal.

**SUMMARY:** The Western Area Power Administration (Western), a Federal power marketing agency of the Department of Energy, announces its Post-2008 re-marketing effort for the Parker-Davis Project (P-DP). Current P-DP long-term, Firm Electric Service (FES) contracts will expire on September 30, 2008. In 1995, Western adopted the Power Marketing Initiative (PMI) in Subpart C of the Energy Planning and Management Program (Program). The Record of Decision for the Program states that application of the PMI will be done on a project-specific basis. If, by means of a public process, Western applies the PMI to the P-DP, the current long-term FES customers of the project would receive an extension of a major portion of the resources available to them at the time their contracts expire. Western now proposes to apply the PMI to the long-term, firm power contracts of the P-DP.

**DATES:** Western will hold three public information forums on the following dates: 1. September 16, 2002, 1 p.m. to 4 p.m., Las Vegas, Nevada, 2. September 17, 2002, 1 p.m. to 4 p.m., Phoenix, Arizona, 3. September 18, 2002, 1 p.m. to 4 p.m., Ontario, California.

Following the public information forums, Western will hold three public comment forums. The dates for these forums are as follows: 1. October 8, 2002, 1 p.m. to 4 p.m., Las Vegas, Nevada, 2. October 9, 2002, 1 p.m. to 4 p.m., Phoenix, Arizona, 3. October 10, 2002, 1 p.m. to 4 p.m., Ontario, California. Western will accept written

comments on or before November 6, 2002.

**ADDRESSES:** Comments may be submitted to: Mr. J. Tyler Carlson, Western Area Power Administration, Desert Southwest Regional Manager, P.O. Box 6457, Phoenix, AZ 85005-6457. Comments may also be faxed to (602) 352-2490 or e-mailed to *Post2008pdp@wapa.gov*.

The public information and public comment forum locations are:

1. McCarran International Airport, 5th Floor, Commissioner's Meeting Room, Las Vegas, Nevada; 2. Western Area Power Administration, Desert Southwest Regional Office, 615 S. 43rd Ave, Phoenix, Arizona; 3. DoubleTree Ontario Airport, 222 N. Vineyard, Ontario, California.

**FOR FURTHER INFORMATION CONTACT:** Roy Tinsley, Project Manager, Desert Southwest Region, Western Area Power Administration, 615 S. 43rd Ave., Phoenix, AZ 85005, telephone (602) 352-2788, e-mail

*Post2008pdp@wapa.gov*. Program information and the current P-DP marketing plan are available for viewing at <http://www.wapa.gov/dsw/pwrmkt>.

**SUPPLEMENTARY INFORMATION:** In 1987, Western marketed the long-term, firm power resources of the Parker and Davis dams and entered into 20-year term FES contracts with the current P-DP customers. These FES contracts will expire on September 30, 2008. Western must determine if the PMI, as outlined in the Energy Planning and Management Program (Program), will be applied to the P-DP for FES commitments beyond that date.

Western first proposed the Program on April 19, 1991 (56 FR 16093). The goals of the Program were to encourage efficient energy use by Western's long-term, firm power customers by requiring Integrated Resource Planning and to extend Western's firm power resource commitments. In the final rule of the Program, Western stated that application of the PMI, including the amount of resources extended, would initially apply only to the Pick-Sloan Missouri Basin Program-Eastern Division (P-S) and the Loveland Area Projects (LAP). Applicability to other projects would be determined through future, project-specific public processes. Specific to the P-DP, the rule stated that Western would evaluate application of the PMI to the Parker-Davis Project no more than 10 years before existing contracts expire.

The PMI calls for extending a major portion of existing firm power sales commitments for 20 years beyond the existing termination date. With respect

to P-S and LAP, a commitment of not less than 96 percent of the hydroelectric power resource determined to be available to the customers was to be extended, and a power resource pool of up to 4 percent of the power from these customers would be created. In addition, the PMI states that "at two 5-year intervals after the effective date of the extension to existing customers, Western will create a project-specific resource pool increment of up to an additional 1 percent of the long-term marketable resource under contract at the time." The resource pool would be used for allocations to new customers. The rule stated that a more precise decision on how resource pools would be used, as well as the percentage of existing commitments extended, would be determined through future, project-specific public processes.

Consistent with the application of the PMI to other recent Western marketing efforts, Western proposes to apply the PMI (10 CFR parts 905.31 through 905.37), to the P-DP. This includes a proposal to extend 94 percent of the P-DP customers' entitlement of long-term, firm P-DP resources as of September 30, 2008, for an additional 20 years. Given the direction contained within the PMI for a "reservation of a modest percentage of resources to create a resource pool," Western proposes that a resource pool of 6 percent of available P-DP resources be established for new customers. Western proposes creation of a single, one-time resource pool of a definite size, due to the costs and effort associated with incremental resource pools as experienced by the P-S and LAP projects, and given the small size of the proposed P-DP resource pool relative to those of other Western projects. During the most recent marketing effort of the Salt Lake City Area Integrated Projects, which shares many of the same P-DP customers, a single resource pool was created in response to public comments.

The existing P-DP marketing plan defines the marketing area as generally consisting of southern California, southern Nevada, most of Arizona, and a small part of New Mexico; and is more specifically defined in the Conformed General Consolidated Power Marketing Criteria or Regulations for Boulder City Area Projects (49 FR 50582, December 28, 1984). New customers meeting the requirements established in the P-DP Marketing Criteria and qualifying Native American tribes within the P-DP marketing area will be eligible to request an allocation of capacity and energy from the P-DP resource pool. Native American tribes need not have utility status to qualify for an allocation.