

amended) requires that public notice of these meetings be announced in the **Federal Register**.

**DATES:** Tuesday, February 20, 2007; 3 p.m. until 6 p.m.

Wednesday, February 21, 2007; 8:30 a.m. until 2 p.m.

**ADDRESSES:** The meeting will be held at the Bennion Student Union, 1784 Science Center Drive, Room 109, Idaho Falls, ID 83402.

**FOR FURTHER INFORMATION CONTACT:** Dr. John Boger, Designated Federal Officer, U.S. Department of Energy, 19901 Germantown Rd, Germantown, MD 20874; telephone (301) 903-4495; e-mail [john.boger@hq.doe.gov](mailto:john.boger@hq.doe.gov).

**SUPPLEMENTARY INFORMATION:**

**Background:** The Nuclear Energy Research Advisory Committee (NERAC) was established in 1998 by the U.S. Department of Energy (DOE) to provide independent, expert advice on complex scientific, technical, and policy issues that arise in the planning, managing, and implementation of DOE's civilian nuclear energy research programs. The committee is composed of 14 individuals of diverse backgrounds selected for their technical expertise and experience, established records of distinguished professional service, and their knowledge of issues that pertain to nuclear energy.

**Purpose of the Meeting:** To inform the committee of recent developments and current status of research programs and projects pursued by the Department of Energy's Office of Nuclear Energy and receive advice and comments in return from the committee.

**Tentative Agenda:** The agenda during the two-day meeting is expected to include presentations that cover such topics as the current status of the Global Nuclear Energy Partnership (GNEP), Next Generation of Nuclear Power, Nuclear Power 2010, and Idaho National Laboratory. The agenda may change to accommodate committee business. For updates, one is directed to the NERAC Web site: <http://nuclear.gov/nerac/neNeracOverview.html>.

**Public Participation:** Individuals and representatives of organizations who would like to offer comments and suggestions may do so on the second day of the meeting, Wednesday, February 21, 2007. Approximately one-half hour will be reserved for public comments. Time allotted per speaker will depend on the number who wish to speak but is not expected to exceed 5 minutes. The public is invited up to the capacity of the meeting room. Anyone who is not able to make the meeting or has had insufficient time to address the committee is invited to send a written

statement to Dr. John Boger, 19901 Germantown Rd, Germantown, MD 20874, or e-mail [john.boger@hq.doe.gov](mailto:john.boger@hq.doe.gov).

**Minutes:** The minutes will be available on the NERAC Web site: <http://nuclear.gov/nerac/neNeracOverview.html>.

Issued in Washington, DC on January 30, 2007.

**Rachel Samuel,**

*Deputy Advisory Committee Management Officer.*

[FR Doc. E7-1772 Filed 2-2-07; 8:45 am]

**BILLING CODE 6450-01-P**

## DEPARTMENT OF ENERGY

### Bonneville Power Administration

[BPA Docket No. TR-08]

#### 2008 Transmission Rate Case; Public Hearing and Opportunities for Public Review and Comment

**AGENCY:** Bonneville Power Administration (BPA), Department of Energy (DOE).

**ACTION:** Notice of 2008 Transmission Rate Case.

**SUMMARY:** BPA requests that all motions, petitions, comments and documents intended to become part of the Official Record of the 2008 Transmission Rate Case proceeding include the designation TR-08.

BPA's existing transmission and ancillary services rates expire September 30, 2007. BPA will establish transmission and ancillary service rates in the 2008 Transmission Rate proceeding for the period from October 2007 through September 2009, fiscal years ("FY") 2008 and 2009 ("2008-2009 Rate Period").

BPA's Transmission Services organization held several rate case workshops with BPA's transmission customers from July through October 2006 to discuss transmission costs, revenues, and rate design issues for the 2008-2009 Rate Period. The customers had expressed interest in meeting to discuss the possibility of a settlement of the rate proposal. Settlement discussions were publicly noticed and held during October and November 2006 and resulted in BPA's offer of a settlement agreement ("Settlement Agreement") on November 30, 2006. By January 5, 2007, most of BPA's customers had signed the Settlement Agreement or indicated that they would not object to Transmission Services's initial rate proposal ("Initial Proposal"). Transmission Services executed the Settlement Agreement on January 12,

2007. The Initial Proposal reflects the terms of the Settlement Agreement.

**DATES:** Persons wishing to become parties to the 2008 Transmission Rate Case proceeding must file a petition to intervene which shall be received by BPA no later than 4:30 p.m., Pacific Time, on February 12, 2007. For further information on petitions to intervene please see the "ADDRESSES" and "SUPPLEMENTARY INFORMATION," Part III sections of this notice.

The hearing on BPA's 2008 Transmission Rate Case will begin with a pre-hearing conference at 9 a.m., Pacific Time, on February 14, 2007, in Portland, Oregon, at the address specified below. Because of increased building security, attendees should allow additional time for entry into the building. Attendees must present a photo ID and must sign in at the security desk. Compact discs ("CD") containing the Initial Proposal documents, in PDF format, will be provided to parties at the pre-hearing conference. The Initial Proposal, studies and documentation, and the Settlement Agreement also will be available on BPA's Web site at: <http://www.transmission.bpa.gov/Business/Rates%5Fand%5FTariff/>, and may be viewed at BPA's Public Reference Room, 1st floor, 905 NE 11th Ave., Portland, Oregon, on or after February 14, 2007.

Written comments by non-party participants must be received by BPA no later than March 16, 2007, to be considered in the Record of Decision ("ROD").

The Administrator will issue a Final Record of Decision in this proceeding on approximately April 30, 2007.

**ADDRESSES:** 1. Petitions to intervene should include the designation TR-08 and be directed to Transmission Hearing Clerk—LT-7, Bonneville Power Administration, 905 NE 11th Ave., Portland, Oregon 97232. In addition, a copy of the petition must be served concurrently on BPA's Office of General Counsel, directed to Susan Millar—LT-7, Office of General Counsel, 905 NE 11th Ave., Portland, Oregon 97232 (see Part III, A, for more information).

2. Written comments on the Initial Proposal may be submitted by non-party participants, and should include the designation TR-08 and be submitted to Transmission Rate Case, Bonneville Power Administration, Public Affairs—DKC-7, P.O. Box 14428, Portland, OR 97293-4428. You also may e-mail your comments to: [comment@bpa.gov](mailto:comment@bpa.gov) (see Part III.A., below, for more information).

3. The pre-hearing conference will be held in the BPA Rates Hearing Room,

2nd floor, 911 NE 11th Ave., Portland, Oregon, at 9 a.m., Pacific Time, on February 14, 2007.

**FOR FURTHER INFORMATION CONTACT:** Information also may be obtained from Public Affairs—DKC-7, P.O. Box 14428, Portland, OR 97293-4428; by toll free phone at (800) 622-4519; or via e-mail to: [comment@bpa.gov](mailto:comment@bpa.gov).

*Responsible Official:* Ms. Nancy Parker, Transmission Rate Case Manager, is the official responsible for the development of BPA's transmission and ancillary service rates.

**SUPPLEMENTARY INFORMATION:**

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**Part I—Introduction and Procedural Background**

Section 7(i) of the Northwest Power Act, 16 U.S.C. Section 839e(i), requires that BPA's rates be established and revised according to certain procedures. These procedures include, among other things, publication of notice of the proposed rates in the **Federal Register**; one or more hearings conducted as expeditiously as practicable by a Hearing Officer to develop a full and complete record and to receive public comment in the form of written and oral presentation of views, data, questions, and arguments related to the proposed rates; and a final decision by the Administrator establishing or revising rates based on the record. BPA's rate proceedings are governed by the Rules of Procedures Governing Bonneville Power Administration Rate Hearings, 51 FR 7611 (1986) ("Procedures"). These Procedures implement the statutory Section 7(i) requirements. The 2008 Transmission Rate Case proceeding will be governed by Section 1010.9 of the Procedures, providing for a general rate proceeding, as the Procedures may be modified by the Hearing Officer at the pre-hearing conference. BPA will not convene separate field hearings to provide for oral comments by non-party participants. However, written comments received from non-party participants no later than March 16, 2007 will be considered. Section 1010.7 of the Procedures prohibits ex parte communications. Limits on ex parte communications to the Administrator or BPA's employees regarding any matter pending in the hearing begin as of February 5, 2007.

The Flood Control Act of 1944, 16 U.S.C. Section 825; the Federal Columbia River Transmission System Act, 16 U.S.C. Sections 838g and 838h; the Northwest Power Act, 16 U.S.C. Section 839e; and the Federal Power Act, 16 U.S.C 824k(i)(1) provide guidance regarding BPA's ratemaking. With regard to transmission rates, the Northwest Power Act requires BPA to set rates that are sufficient to recover, in accordance with sound business principles, the cost of transmitting electric power, including amortization of the Federal investment over a reasonable period of years, and the other costs and expenses incurred by the Administrator. The Federal Columbia River Transmission System Act requires among other things, that the costs of the Federal Columbia River Transmission System be equitably allocated between Federal and non-Federal power utilizing the system. In addition, the Federal Power Act provides that rates for Commission-ordered transmission service shall be at rates and charges governed only by otherwise applicable laws, except that no rate shall be unjust, unreasonable, or unduly discriminatory or preferential.

A proposed schedule for the formal hearing is stated below. A final schedule will be established by the Hearing Officer at the pre-hearing conference.

February 12, 2007: Petitions to Intervene

February 14, 2007: Pre-hearing Conference and Filing of BPA Initial Proposal

February 21, 2007: Party Objections to Initial Proposal/Debt Optimization Program Demonstration and Identification of issues to be preserved for hearing

February 26, 2007: Scheduling Conference (if necessary)

March 16, 2007: Participant Comments Due

April 30, 2007: Final Record of Decision (date approximate)

**Part II—Purpose and Scope of Hearing**

*A. Key Components*

1. Overview

BPA is committed to marketing its power and transmission services separately in a manner that is modeled after the regulatory initiatives to promote competition in wholesale power markets that were adopted by the Commission in 1996. The Commission's

initiatives in Orders 888<sup>1</sup> and 889<sup>2</sup> directed public utilities to separate their power merchant functions from their transmission functions; unbundle transmission and ancillary services from wholesale power services; and set separate rates for wholesale generation, transmission, and ancillary services. Although BPA is not required to follow the Commission's regulatory directives applicable to public utilities under the Federal Power Act, BPA has elected to separate its power and transmission functions and unbundle its power and transmission rates in a manner consistent with the directives concerning non-discriminatory open access transmission service. Accordingly, in 1997 BPA established separate business lines: BPA's Power Services organization, which performs BPA's wholesale merchant functions; and Transmission Services, which performs BPA's transmission system operations and reliability functions. BPA develops its transmission rates and its power rates in separate proceedings.

2. Power Services as a Party to the 2008 Transmission Rate Case

Because BPA separated its power and transmission functions and sets its power and transmission rates in separate proceedings, and Power Services is a transmission customer, it is appropriate that Power Services be a party to the transmission rate proceeding. Accordingly, subject to a petition to intervene, Power Services will be considered a party to the 2008 Transmission Rate Case for all purposes under the BPA Procedures. Power Services may file testimony and briefs as a party and will be entitled to all other procedural rights of a party. In particular, Power Services will be considered a party for purposes of limitations on ex parte communications

3. Two-Year Transmission Rate Period

The rates proposed in the 2008 Transmission Rate Case are for a two-year period: The 2008–2009 Rate Period. A two-year rate period balances the need for a short rate period to limit revenue and cost risks with the significant resource and time requirements needed to plan and carry out a rate case.

<sup>1</sup>Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, Reg-Preamble, FERC Stats & Regs 1991–96, ¶31,036 (1996).

<sup>2</sup>Open Access Same-Time Information System (formerly Real-Time Information Networks) and Standards of Conduct, Reg-Preamble, FERC Stats & Regs 1991–96, ¶31,035 (1996).

#### 4. Settlement Agreement

Transmission Services and most of its customers are parties to the Settlement Agreement, which provides for an Initial Proposal that incorporates the agreement's provisions. The Settlement Agreement may be viewed at: [http://www.transmission.bpa.gov/Business/Rates\\_and\\_Tariff/ratesdocs/\\_Settlement\\_Agreement\\_2008.pdf](http://www.transmission.bpa.gov/Business/Rates_and_Tariff/ratesdocs/_Settlement_Agreement_2008.pdf). The Settlement Agreement identifies proposed changes to the rate schedule terms and conditions and specifies proposed rate levels for BPA's transmission and ancillary service rates during the 2008–2009 Rate Period, as summarized in Attachment 1 to the Settlement Agreement and as reflected in the proposed Rate Schedules in Part V of this Notice. The rate levels proposed in the Settlement Agreement result in a zero percent average rate increase compared to FY 2006–2007 rates. Although the transmission rate charges are higher than current rates, BPA forecasts that the Reactive Supply and Voltage Control from Generation Sources Services (GSR) formula rate will be zero, resulting in no change in customers' total bills for transmission and ancillary services. In addition, the Settlement Agreement provides that the Initial Proposal will reflect, in the calculation and presentation of the transmission revenue requirement, \$15 million recorded as transmission reserves in each year of the 2008–2009 Rate Period (for a total of \$30 million) as a funding source for transmission capital programs.

Consistent with the Settlement Agreement, the Initial Proposal revenue requirement includes \$4.5 million per year for payments for redispatch of generation provided under Attachment K of BPA's Open Access Transmission Tariff (OATT) and under any other reliability redispatch program(s). The Settlement Agreement provides further that Transmission Services will pay Power Services on a per-event basis for redispatch based on submitted bids. Currently, Transmission Services pays Power Services \$1.5 million per year for redispatch.

The Settlement Agreement also includes a proposed revised Attachment K to the OATT, which Transmission Services will submit to the Commission. The revised Attachment K sets forth the procedures under which Transmission Services will request redispatch of Federal resources from Power Services during the 2008–2009 Rate Period in order to preserve transmission system reliability. The proposed revision clarifies that there are three types of redispatch that Power Services may

provide under Attachment K: Emergency Redispatch; Network Transmission Service Firm Redispatch; and Discretionary Redispatch. It establishes the circumstances under which Transmission Services may request each type of redispatch and the criteria that apply to the Power Services response to the request.

The Settlement Agreement provides for the demonstration that transmission rates are no higher with BPA's Debt Optimization Program (DOP) than they would have been in the absence of the DOP, including Debt Service Reassignment, and describes the DOP-related costs for which transmission rates are being set. Finally, the Settlement Agreement states that Transmission Services does not intend to compensate Power Services or third parties for generation-supplied reactive power during the 2008–2009 Rate Period.

The Settlement Agreement provides notice that during the 2008–2009 Rate Period, BPA may conduct a separate rate proceeding to establish a rate for generation regulation service and generation following service.

Any party to the 2008 Transmission Rate Case that did not sign the Settlement Agreement may object to the Initial Proposal. A party that objects to the Initial Proposal or to the DOP demonstration (BPA Slice customers that are parties to the rate case and the Northwest Requirements Utilities may object to the DOP demonstration) must identify the issues it wishes to preserve for hearing.

#### B. Overview of the Public Process

##### 1. Program Level Funding Workshops—Programs in Review

Beginning in May 2006 and continuing through the summer of 2006, BPA provided an opportunity for public participation and input on transmission programs and program cost levels through the Programs In Review (“PIR”) process. PIR began with a notification by mail to transmission customers, tribes, regional stakeholders and other interested parties. Transmission Services also published notices on its external Web site. During May and June 2006, BPA held five public meetings around the region and gave a separate briefing to the Affiliated Tribes of the Northwest Indians to present proposed capital and expense levels along with business and policy considerations. At these public meetings, BPA transmission and corporate staff discussed issues concerning future capital investments in the transmission system and proposed expense levels for

transmission system development, operation, maintenance, and reliability for the 2008–2009 Rate Period. A technical workshop was held in July 2006. Transmission Services also provided informational materials through direct mailings, written responses to customer letters, e-mailings, and publication of all BPA and customer-generated materials on Transmission Services' external Web site, and through making staff available to answer questions.

In the PIR workshops, BPA and its customers examined program spending levels for the 2008–2009 Rate Period for both capital projects and expense programs. BPA also discussed its vision for planned future direction in transmission and its plans to manage the many challenges the organization faces through FY 2009. BPA explored customer and interested parties' views on: (1) Priorities for transmission investment; (2) sources of capital for transmission infrastructure; (3) the effect on expenses of a change in capitalization policies; (4) new regulatory requirements; (5) delays in non-electric plant maintenance because of budget constraints; (6) efforts to manage a constrained transmission system; (7) maintenance of a skilled and trained workforce; and (8) right-of-way management. BPA accepted written and oral comments on its proposed transmission programs, including expense and capital spending levels, through September 7, 2006. BPA shared revised program levels with customers and allowed an additional two-week comment period. After considering customer comments, BPA concludes the PIR process by issuing the Administrator's close-out letter on transmission spending levels for the 2008–2009 Rate Period.

In summary, BPA remains committed to managing its costs and continuing to seek efficiencies in the way it conducts its transmission business. The three reasons for changes in costs from the 2006–2007 rate period include: (1) Mandated or non-discretionary costs, (2) transmission program changes, and (3) needed system and efficiency initiatives. The Initial Proposal reflects the Administrator's close-out letter on transmission program spending levels for the 2008–2009 Rate Period.

##### 2. Transmission Rate Case Customer Workshops

In preparation for the 2008 Transmission Rate Case, Transmission Services held an initial public workshop on July 27, 2006, for customers and other interested parties. Two additional public workshops and meetings were

held on August 16, 2006, and October 3, 2006, during which Transmission Services presented information about costs, revenue forecasts, transmission products, pricing, and rate design issues. See [http://www.transmission.bpa.gov/Business/Rates\\_and\\_Tariff/archive.cfm](http://www.transmission.bpa.gov/Business/Rates_and_Tariff/archive.cfm).

### 3. Transmission Rate Debt Optimization Program Demonstration

At the first annual Debt Optimization Program (DOP) and Debt Service Reassignment (DSR) meeting held on January 23, 2007, BPA presented a demonstration that transmission rates are no higher with the DOP than they would have been in the absence of the DOP, including DSR. The January meeting was held pursuant to an agreement among BPA, BPA Slice customers, and the Northwest Requirements Utilities. The transmission DOP demonstration is included in the Initial Proposal. The demonstration compares results from a base transmission repayment study that includes all debt management activities completed as of September 30, 2006, with a transmission repayment study that includes new DOP and DSR projections for FY 2007 and subsequent fiscal years.

### C. Scope of the Transmission Rate Proceeding

Many of the decisions that determine Transmission Services's costs have been made or will be made in public review processes other than the transmission rate proceeding. This section provides guidance to the Hearing Officer as to those matters that are within the scope of the transmission rate proceeding and those that are outside the scope.

#### 1. Spending Levels

As described above, Programs In Review workshops were held throughout the region to clarify, discuss, and provide the public the opportunity to comment orally and in writing on BPA's proposed capital expenditures and expenses for transmission. After considering all comments, the Administrator concludes the public process by issuing a close-out letter on spending levels for the 2008–2009 Rate Period. Those spending levels serve as the basis for the transmission capital and expense levels that are reflected in the Initial Proposal. Pursuant to section 1010.3(f) of BPA's Procedures, the Administrator directs the Hearing Officer to exclude from the record any evidence or arguments that seek in any way to challenge the appropriateness or reasonableness of the Administrator's decisions on transmission spending

levels and sources of capital, including capital and expense levels reviewed in the Programs in Review public process. If any re-examination of sources of capital and spending levels is necessary, that re-examination will occur outside of the rate proceeding.

However, the foregoing direction to the Hearing Officer does not apply to the following matters: Customer advance capital funding, revenue financing, reserve financing, modeling of financing methods in rate case studies, interest rate forecasts, scheduled amortization, forecast depreciation, forecasts of system replacements for repayment studies, interest expense, expense and revenue uncertainties, and risks included in the risk analysis.

#### 2. Issues Decided in Power Rate Proceeding

A number of issues that affect transmission and ancillary service rates have been addressed in BPA's 2007 Power Rate Case. On July 17, 2006, the Administrator established wholesale power rates for the period October 1, 2006, through September 30, 2009. On September 21, 2006, the Commission approved the proposed rates on an interim basis, pending full review for final approval. See 116 FERC ¶ 61,264. In the 2007 Power Rate Case, the Administrator made decisions regarding: the costs for generation inputs for ancillary services, including operating reserves, regulating reserves, and energy and generation imbalance; the generation costs of station service and remedial action schemes allocated to transmission; and the allocation to the power revenue requirement of the transmission costs of generation integration and generator step-up transformers associated with Federal system resources. The Administrator also decided that BPA's 2007 power rates would not include \$20.4 million for each year in FY 2008 and 2009, as revenue from Transmission Services for generation supplied reactive power (GSR). Transmission Services will continue to pay Power Services \$4.464 million each year in FY 2008 and 2009 for synchronous condensers. The Administrator also decided that Transmission Services will compensate Power Services for operating reserves at a unit price of \$5.63/kW per month.

The Initial Proposal is consistent with the results of the Administrator's decisions on these and all other issues decided in the Power Rate Case, and will be reflected in all final decisions made in the 2008 Transmission Rate Case proceeding. The Administrator directs the Hearing Officer to exclude

from the record all evidence and argument that seek in any way to address or revisit final decisions that were made in the 2007 Power Rate Case.

#### 3. The National Environmental Policy Act

BPA is in the process of assessing the potential environmental effects of its Initial Proposal, as required by the National Environmental Policy Act ("NEPA"). The Administrator directs the Hearing Officer to exclude from the record all evidence and argument that seek in any way to address the potential environmental impacts of the rates being developed in the 2008 Transmission Rate Case. BPA's Business Plan Environmental Impact Statement ("Business Plan EIS"), completed in June 1995, evaluated the environmental impacts of a range of business plan alternatives that could be varied by applying various policy modules, including one for rates. Any combination of alternative policy modules should allow BPA to balance its costs and revenues. However, the EIS also addressed response strategies BPA could pursue if BPA's costs exceeded its revenues.

In August 1995, the BPA Administrator issued a Record of Decision ("Business Plan ROD") that adopted the Market-Driven Alternative from the Business Plan EIS. This alternative was selected because, among other reasons, it allows BPA to: (1) Recover costs through rates; (2) competitively market BPA's products and services; (3) develop rates that meet customer needs for clarity and simplicity; (4) continue to meet BPA's legal mandates; and (5) avoid adverse environmental impacts. BPA also committed to apply as many response strategies as necessary when BPA's costs and revenues do not balance.

Because the Initial Proposal is likely to assist BPA in accomplishing these goals, the proposal appears consistent with these aspects of the Market-Driven Alternative. In addition, this rate proposal is similar to the type of rate designs and resulting rate levels evaluated in the Business Plan EIS; thus, implementation of this rate proposal is not expected to result in significantly different environmental impacts from those examined in the Business Plan EIS. Therefore, BPA expects that this rate proposal will fall within the scope of the Market-Driven Alternative that was evaluated in the Business Plan EIS and adopted in the Business Plan ROD. As part of the Administrator's Record of Decision that will be prepared regarding this 2008 Transmission Rate Case, BPA may tier

its decision under NEPA to the Business Plan ROD. However, depending upon the ongoing environmental review, BPA may, instead, issue another appropriate NEPA document.

### Part III—Public Participation

#### A. Distinguishing Between “Participants” and “Parties”

BPA distinguishes between “participants in” and “parties to” the rate case. Apart from the formal hearing process, BPA will receive written comments, views, opinions, and information from “participants,” who are defined in the BPA Procedures as persons who may submit comments without being subject to the duties of, or having the privileges of, parties. Participants written comments will be made part of the official record and will be considered by the Administrator. Participants are not entitled to participate in the pre-hearing conference; may not cross-examine parties’ witnesses, seek discovery, or serve or be served with documents; and are not subject to the same procedural requirements as parties.

Written comments by participants will be included in the record if they are received by March 16, 2007. Written views, supporting information, questions, and arguments should include the designation TR–08 for the 2008 Transmission Rate Case and be submitted to BPA at the address listed in the **ADDRESSES** section of this notice.

Persons wishing to become parties to the proceedings included in this notice must file a petition to intervene. Petitioners may designate no more than two (2) representatives upon whom service of documents will be made. Petitions are due to the Transmission Hearing Clerk by 4:30 p.m., Pacific Time, on February 12, 2007. The petition should be submitted to BPA as described in the **ADDRESSES** section of this notice.

Petitions to intervene must include the designation TR–08 for the 2008 Transmission Rate Case and state the name and address of the person requesting party status and the person’s interest in the proceeding. Petitioners must explain their interests in sufficient detail to permit the Hearing Officer to determine whether they have a relevant interest in the hearing. Pursuant to Rule 1010.1(d) of BPA’s Procedures, BPA waives the requirement in Rule 1010.4(d) that an opposition to a petition to intervene be filed and served 24 hours before the pre-hearing conference. Any opposition to a petition to intervene may instead be made at the pre-hearing conference. Transmission

Services or any party may oppose a petition to intervene. Persons who have been denied party status in any past BPA rate proceeding shall continue to be denied party status unless they establish a significant change of circumstances. All timely applications will be ruled on by the Hearing Officer. Late interventions are strongly disfavored. Opposition to a petition to intervene filed after the pre-hearing conference must be filed and received by BPA within two (2) days after service of the petition.

#### B. Developing the Record

The hearing record will include the transcripts of the hearing, written material entered into the record by Transmission Services and the parties, written comments from participants, and other material accepted into the record by the Hearing Officer. The Hearing Officer will review the record and will certify the record to the Administrator for decision.

The Administrator will develop a final rate proposal based on the record, information from the PIR, documents prepared pursuant to the National Environmental Policy Act and other environmental statutes, and such other material or information as may have been submitted to or developed by the Administrator. The Administrator will serve copies of the Final Record of Decision on all parties. After issuance of the Final Record of Decision, BPA will file its final rate proposal with the Commission for confirmation and approval.

During the rate proceeding, Transmission Services must continue to meet with customers in the ordinary course of business. To comport with the rate case procedural rule prohibiting ex parte communications, Transmission Services will provide notice of meetings involving rate case issues to provide an opportunity for participation by all rate case parties. Parties should be aware, however, that such meetings may be held on very short notice.

### Part IV—Major Studies and Summary of Transmission Rate Proposal

#### A. Major Studies

1. *Revenue Requirement Study and Documentation*—This Study and Documentation include the calculation of transmission revenue requirements for the 2008–2009 Rate Period and demonstration of cost recovery for the transmission function. The Study includes an analysis of financial risks and a demonstration that transmission rates are no higher with the Debt Optimization Program than without it.

2. *Revenue Forecast*—The revenue forecasts at current and proposed transmission and ancillary service rates are based on forecasted sales and revenues for the 2008–2009 Rate Period. The revenue forecast is included in the Documentation.

#### B. Summary of Proposal

##### 1. Transmission rates

Transmission Services is proposing five rate schedules for the use of its Integrated Network segment:

- *Formula Power Transmission (FPT–08.1 and FPT–08.3) rates*—The two FPT rates are based on the cost of specific types of facilities, including a distance component for the use of transmission lines, and are charged on a contract-demand basis. Included in the FPT rates are the costs of the two required ancillary services: Scheduling, System Control and Dispatch Service and Reactive Supply and Voltage Control from Generation Sources Service. The FPT–08.1 rate is proposed for contracts that allow annual rate adjustments, while the FPT–08.3 rate is proposed for contracts that allow a rate change only once every three years. In this Initial Proposal, the two FPT rates are set at the same level. The FPT–08.1 rate and the FPT–08.3 rate are proposed to be formula rates that are adjusted quarterly to reflect the quarterly change in the Reactive Supply and Voltage Control from Generation Sources Service rate, a small component of the cost basis of the FPT rate. Although Transmission Services has not offered new FPT wheeling contracts since the OATT was adopted, a number of FPT contracts will remain in effect during the 2008–2009 Rate Period.

- *Integration of Resources (IR–08) rate*—The IR rate is a postage-stamp, contract-demand rate for the use of the Integrated Network. Charges for the two required ancillary services are embedded in the IR rate. The proposed IR–08 rate is a formula rate that is adjusted quarterly to reflect the quarterly change in the Reactive Supply and Voltage Control from Generation Sources Service rate, a small component of the cost basis of the IR rate. A Short Distance Discount is available when resources are 75 miles or less from load. Although Transmission Services is not offering new IR contracts, some IR contracts will remain in effect during the rate period.

- *Network Integration Transmission (NT–08) rate*—The NT rate applies to customers taking Network Integration Transmission Service under the OATT. The NT rate schedule includes a Load Shaping Charge applied to the

customer's total load on the hour of the Monthly Transmission Peak Load and a Base Charge applied to the customer's total load less Customer-Served Load (CSL), if any. CSL is the amount of load that the customer agrees to serve without using its NT service. CSL is limited to the annual megawatt amount and resources specified in NT service agreements as of October 2005. Transmission Services intends to eliminate CSL as of October 1, 2011.

- *Point-to-Point (PTP-08) rate*—The PTP rate is a contract-demand rate that applies to customers taking PTP Transmission Service on BPA's Integrated Network under the OATT. There are separate PTP rates for long-term firm service; short-term firm and non-firm service; and hourly firm and non-firm service. The rate for long-term firm service includes a Short Distance Discount. All short-term and hourly PTP rates are downwardly flexible. In cases in which transmission service is curtailed or interrupted because of conditions on the FCRTS, the billing factor for Hourly Nonfirm Service, which otherwise is Reserved Capacity, will be (i) Reserved Capacity minus the curtailed capacity, when the interruption occurs before the close of the scheduling hour; and (ii) scheduled energy, when the interruption occurs after the close of the scheduling hour. In addition, the availability section of the PTP-08 rate schedule has been revised to add Conditional Firm Transmission Service, as applicable when such service is offered.

In addition to the five rates for network use, other proposed transmission rates include:

- *The Southern Intertie (IS-08) and Montana Intertie (IM-08) rates* are contract-demand rates that apply to customers taking PTP Transmission Service under the OATT on the Southern Intertie and Montana Intertie, respectively. These rates are structured in the same way as the PTP rate, except that no Short Distance Discount is available. Transmission Services is proposing similar revisions for these rates.

- *The Townsend-Garrison Transmission (TGT-08) rate and the Eastern Intertie rate (IE-08)* are developed pursuant to the Montana Intertie agreement.

- *The Use-of-Facilities (UFT-08) rate* establishes a formula for charging for the use of a specific facility based on the annual cost of that facility.

- *The Advance Funding (AF-08) rate* allows Transmission Services to collect the capital and related costs of specific facilities through an advance-funding mechanism.

## 2. Ancillary Services Rates

In addition to the rate level changes specified in the Settlement Agreement, other aspects of the Ancillary Services and Control Area Services rates are being revised in accordance with the Settlement Agreement as follows:

- The billing factors for *Scheduling, System Control, and Dispatch Service and Reactive Supply and Voltage Control from Generation Sources Service* rates are being revised to clarify that, when there is an unauthorized increase, they are increased by the amount of the Unauthorized Increase Charge. The rate that is applied to the billing factors, however, remains the same.

- *The Reactive Supply and Voltage Control from Generation Sources Service* rate is a formula rate that is determined quarterly beginning October 1, 2007, and is being revised to recover only the cost, if any, of paying reactive rates to non-federal generators and of adjustments for self-supply of reactive power.

- The rate for *Regulation and Frequency Response Service* is fixed for the Rate Period.

- The rates for *Operating Reserves—Spinning and Supplemental* are fixed for the Rate Period. In addition to the rate for customers who elect to purchase Operating Reserves from BPA Transmission Services for the rate period, the rate schedule is being revised to include a charge applicable to customers who elect to self-supply or acquire Operating Reserves from third-party suppliers for the Rate Period but then default on their self-supply or third-party supply obligations.

## 3. Other Rates and Charges

Other charges that may apply to a customer's transmission service include a Delivery Charge for the use of low-voltage delivery substations, a Power Factor Penalty Charge, Incremental Cost Rates for transmission requests that require the construction of new facilities, a Failure to Comply Charge for failure to comply with a curtailment, redispatch, or load shedding order, and an Unauthorized Increase Charge for customers who exceed their contracted capacity amounts. The Reservation Fee is being revised to eliminate the application of the rate to deferred service. The Reservation Fee will apply only for extensions of the service commencement date of a long-term firm PTP transmission service reservation.

### Part V—2008 Transmission and Ancillary Service Rate Schedules

BPA's proposed 2008 Transmission and Ancillary Service Rate Schedules

are available for viewing and downloading on Transmission Service's Web site at: <http://www.transmission.bpa.gov/Business/Rates%5Fand%5FTariff/>. A copy of the proposed rate schedules also is available for viewing in BPA's Public Reference Room at the BPA Headquarters, 1st floor, 905 NE 11th Ave., Portland, Oregon.

Issued in Portland, Oregon, on January 25, 2007.

**Stephen J. Wright,**

*Administrator and Chief Executive Officer.*

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## ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OPPT-2007-0013; FRL-8111-7]

### National Advisory Committee for Acute Exposure Guideline Levels for Hazardous Substances; Notice of Public Meeting

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** A meeting of the National Advisory Committee for Acute Exposure Guideline Levels for Hazardous Substances (NAC/AEGL Committee) will be held on March 20–22, 2007, in Irvine, CA. At this meeting, the NAC/AEGL Committee will address, as time permits, the various aspects of the acute toxicity and the development of Acute Exposure Guideline Levels (AEGLs) for the following chemicals: Acetonitrile; acrylic acid; acrylonitrile; allyl chloride; boron tribromide; bromine chloride; carbonyl fluoride; chloroacetonitrile; chlorobenzene; diketene; ethylene fluorohydrin; isobutyronitrile; malononitrile; methanol; *N,N*-dimethylformamide; oxygen difluoride; propionitrile; propylene oxide; silicon tetrafluoride; stibine; tetrachloroethylene; 1,1,1-trichloroethane; and toluene.

**DATES:** A meeting of the NAC/AEGL Committee will be held from 10 a.m. to 5 p.m. on March 20, 2007; from 8:30 a.m. to 5:30 p.m. on March 21, 2007; and from 8 a.m. to noon on March 22, 2007.

**ADDRESSES:** The meeting will be held at the Beckman Center, 100 Academy, Irvine, CA 92617.

**FOR FURTHER INFORMATION CONTACT:** For general information contact: Colby Lintner, Regulatory Coordinator, Environmental Assistance Division (7408M), Office of Pollution Prevention