Corporation (Rainbow) has applied for permission to export electric energy to a foreign country are regulated by the Department of Energy (DOE) pursuant to sections 301(b) and 402(f) of the Department of Energy Organization Act (42 U.S.C. 7151(b), 7172(f)) and require authorization under section 202(e) of the FPA (16 U.S.C. 824a(e)).

On September 16, 2010, DOE received an application from Rainbow for authority to transmit electric energy from the United States to Mexico for five years as a power marketer using existing international transmission facilities. Rainbow does not own any electric transmission facilities nor does it hold a franchised service area. The electric energy that Rainbow proposes to export to Mexico would be surplus energy purchased from electric utilities, Federal power marketing agencies and other entities within the United States. The existing international transmission facilities to be utilized by Rainbow have previously been authorized by Presidential permits issued pursuant to Executive Order 10485, as amended, and are appropriate for open access transmission by third parties. "Procedural Matters: Any person desiring to become a party to these proceedings or to be heard by filing comments or protests to this application should file a petition to intervene, comment, or protest at the address provided above in accordance with §§ 385.211 or 385.214 of the Federal Energy Regulatory Commission’s Rules of Practice and Procedures (18 CFR 385.211, 385.214). Fifteen copies of each petition and protest should be filed with DOE on or before the date listed above.

Comments on the Rainbow application to export electric energy to Mexico should be clearly marked with Docket No. EA–375. Additional copies are to be filed directly with Joseph M. Wolfe, Rainbow Energy Marketing Corporation, Kirkwood Office tower, 919 South 7th Street, Suite 405, Bismarck, ND 58504. A final decision will be made on this application after the environmental impacts have been evaluated pursuant to the National Environmental Policy Act of 1969, and a determination is made by DOE that the proposed action will not adversely impact on the reliability of the U.S. electric power supply system.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, by accessing the program Web site at http://www.oe.energy.gov/permits_pending.htm, or by e-mailing Odessa Hopkins at Odessa.hopkins@hq.doe.gov.

Issued in Washington, DC, on September 17, 2010.

Anthony J. Como,
Director, Permitting and Siting, Office of Electricity Delivery and Energy Reliability.

Boulder Canyon Project-Rate Order No. WAPA–150

DEPARTMENT OF ENERGY

Western Area Power Administration

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Extension of Existing Rate-setting Formula and Approval of FY 2011 Base Charge and Rates.

SUMMARY: The Deputy Secretary of Energy confirmed and approved Rate Order No. WAPA–150 and Rate Schedule BCP–F8 extending on an interim basis the existing Boulder Canyon Project (BCP) rate-setting formula and approving the base charge and rates for FY 2011. The existing Electric Service Rate Schedule, BCP–F7, expires September 30, 2010. The Electric Service Rate Schedule contains a rate-setting formula that is recalculated annually based on updated financial and load data. The existing rate-setting formula is being extended under Rate Order No. WAPA–150 and Rate Schedule BCP–F8.

DATES: Rate Schedule BCP–F8 will be placed into effect on an interim basis on the first day of the first full billing period beginning on October 1, 2010, and will be in effect until the Federal Energy Regulatory Commission (FERC) confirms, approves, and places the rate schedule in effect on a final basis up to September 30, 2015, or until the rate schedule is superseded.

FOR FURTHER INFORMATION CONTACT: Mr. Jack Murray, Rates Manager, Desert Southwest Customer Service Region, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005–


SUPPLEMENTARY INFORMATION: Exports of electricity from the United States to Mexico are to be filed directly with Ray Cunningham, GDF SUEZ Energy Marketing NA, Inc., 1990 Post Oak Blvd., Suite 1900, Houston, TX 77056 and Catherine P. McCarthy, Dewey & LeBoeuf LLP, 1101 New York Ave., NW., Washington, DC 20005. A final decision will be made on this application after the environmental impacts have been evaluated pursuant to DOE’s National Environmental Policy Act Implementing Procedures (10 CFR part 1021) and after a determination is made by DOE that the proposed action will not adversely impact on the reliability of the U.S. electric power supply system.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, by accessing the program Web site at http://www.oe.energy.gov/permits_pending.htm, or by e-mailing Odessa Hopkins at Odessa.hopkins@hq.doe.gov.

Issued in Washington, DC, on September 17, 2010.

Anthony J. Como,
Director, Permitting and Siting, Office of Electricity Delivery and Energy Reliability.
SUPPLEMENTARY INFORMATION: The Deputy Secretary of Energy approved on an interim basis existing Electric Rate Schedule BCP–720 for BCP electric service on August 11, 2005 (Rate Order No. WAPA–120, 70 FR 50316 (August 26, 2005)). FERC confirmed and approved the rate schedule on June 22, 2006, in FERC Docket No. EF05–5091–000 (115 FERC ¶ 61,362). The rate schedule became effective on October 1, 2005, and expires September 30, 2010.

The existing base charge and rates for BCP electric service under Rate Schedule BCP–F7 expire September 30, 2010. Effective October 1, 2010, Rate Schedule BCP–F7 will be superseded by the new base charge and rates in Rate Schedule BCP–F8. Under the existing formula, the rates for BCP electric service consist of a base charge, a capacity rate, and an energy rate. The provisional base charge is $75,182,522, the provisional capacity rate is $1.90 per kilowattmonth (kW-month), and the provisional energy rate is 9.86 mills/kWh.

The adjusted base charge and rates reflect increases in the overall O&M program costs, visitor services, uprating program principal payments, replacement costs, and investment principal and interest payments. In addition to the annual expenses increasing, the offset of other revenues is decreasing. The new base charge and rates will provide sufficient revenue to pay all annual costs, including interest expense, and repayment of power investment within the allowable periods.

Western’s existing rate-setting formula for electric service requires recalculation of the base charge and rates annually to ensure sufficient recovery of project expenses, including interest, and capital requirements up to September 30, 2015. By Delegation Order No. 00–037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to Western’s Administrator, (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy, and (3) the authority to confirm, approve, and place such rates into effect on a final basis, to the Federal Energy Regulatory Commission and the Federal Energy Regulatory Commission.

The existing formula for developing electric service rates would sufficiently recover all project expenses (including interest and capital requirements) up to September 30, 2015. The existing BCP electric service base charge and rates for FY 2011 were conducted in accordance with section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152). This Act transferred to and vested in the Secretary of Energy the power marketing functions of the Secretary of the Interior and the Bureau of Reclamation under the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485(h)), and other Acts that specifically apply to the project involved.

By Delegation Order No. 00–037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to Western’s Administrator, (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy, and (3) the authority to confirm, approve, and place such rates into effect on a final basis, to the Federal Energy Regulatory Commission.

Western followed the DOE procedures to confirm, approve, and place such rates into effect on a final basis, to the Federal Energy Regulatory Commission. The existing DOE procedures for public participation in electric service rate adjustments are located at 10 CFR part 903, effective September 18, 1985 (50 FR 37835), and 18 CFR part 300. Western followed the DOE procedures in developing the rate formula approved by FERC on June 22, 2006, at 115 FERC 61362.

BACKGROUND

On June 22, 2006, in Docket No. EF05–5091–000 at 115 FERC ¶ 61,362, FERC issued an order confirming, approving, and placing into effect on a final basis the Electric Service Rate Schedule BCP–F7 for the Boulder Canyon Project (BCP). The Electric Service Rate Schedule, Rate Order No. WAPA–120, was approved for 5 years beginning October 1, 2005, through September 30, 2010. With this interim approval, the existing rate-setting formula will be extended up to September 30, 2015 under Rate Order No. WAPA–150.

In addition, new base charge and rates will take effect on the first day of the first full billing period beginning on or after October 1, 2010, and will remain in effect until September 30, 2011. When compared to the existing BCP electric service base charge and rates under Rate Schedule BCP–F7, the proposed base charge and rates for BCP electric service reflect an overall composite rate increase of approximately 4.20 percent effective October 1, 2010. The existing composite rate under Rate Schedule BCP–F7 is 18.93 mills per kilowatthour (mills/kWh). The proposed composite rate under Rate Schedule BCP–F8 is 19.73 mills/kWh.

BCP ELECTRIC SERVICE BASE CHARGE AND RATES

BCP electric service rates are designed to recover an annual revenue requirement that includes operation and maintenance expenses, payments to states, visitor services, the uprating program, replacements, investment repayment and interest expense. Western’s Power Repayment Study (PRS) allocates the projected annual revenue requirement for electric service equally between capacity and energy. The existing formula for developing electric service rates would sufficiently recover all project expenses (including interest) and capital requirements up to September 30, 2015.

The BCP electric service base charge and rates are increasing in FY 2011 due to the increase of $5 million in annual expenses from FY 2010 to FY 2011. In addition to the annual expense increase, other revenues, which act as an offset to total expenses, are also decreasing $2.5 million. A projected carryover at the end of FY 2010 results in mitigating the increase in the base charge to $4.5 million in FY 2011.

The existing base charge and rates for BCP electric service under Rate Schedule BCP–F7 expire September 30, 2010. As stated above, Rate Schedule BCP–F7 will be superseded by the new base charge and rates in Rate Schedule BCP–F8, effective October 1, 2010. Under the existing formula, the rates for BCP electric service consist of a base charge, a capacity rate, and an energy rate. The provisional base charge is $75,182,522, the provisional capacity
rate is $1.90 per kilowattmonth (kW/month), and the provisional energy rate is 9.86 mills/kWh.

The adjusted base charge and rates reflect increases in the overall O&M program costs, visitor services, uprating program principal payments, replacement costs, and investment principal and interest payments. In addition to the annual expenses increasing, the offset of other revenues is decreasing. The new base charge and rates will provide sufficient revenue to pay all annual costs, including interest expense, and repayment of power investment within the allowable periods.

Western followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions set forth in 10 CFR part 903.23(a)(2) in extending the BCP rate-setting formula and setting the new base charge and rates for FY 2011. The steps Western took to involve interested parties in the rate process were:

1. On February 2, 2010, Western published a notice in the Federal Register announcing the proposed base charge and rates for BCP, beginning the public consultation and comment period, and announcing the public information and public comment forums. (75 FR 5315) Western also announced the public forum dates as well as access to the BCP rate adjustment Web site at http://www.wapa.gov/dsw/pwrmt/BCP/RateAdjust.htm.

2. On March 10, 2010, Western hosted an informal customer meeting in Phoenix, Arizona. At this informal meeting, Western explained the rationale for the rate adjustment and answered questions.

3. On April 7, 2010, Western held a public information forum at the Desert Southwest Regional Office in Phoenix, Arizona. Western provided detailed explanations of the proposed base charge and rates for BCP and answered questions. Western provided a copy of the rate presentation, supporting documentation, and informational handouts.

4. On April 22, 2010, Western held a comment forum to give the public an opportunity to comment for the record. Three individuals representing entities commented at this forum.

5. Western received one comment letter during the consultation and comment period, which ended May 3, 2010. All comments have been considered in preparing this Rate Order.

Comments
Written comments were received from the following organization:

Irrigation & Electrical Districts Association of Arizona, Arizona.

Oral comments were made on behalf of the following organizations:

Arizona Municipal Power Users Association, Arizona.

Irrigation & Electrical Districts Association of Arizona, Arizona.

Metropolitan Water District of Southern California, California.

The comments and responses regarding the electric service base charge and rates, paraphrased for brevity when not affecting the meaning of the statement(s), are discussed below. Direct quotes from comment letters are used for clarification where necessary.

Comment: A commenter stated that he objects to a 3 percent indexing factor used by the Federal Agencies for increasing their annual expenses when the Consumer Price Index (CPI) current year was less than 1 percent and the projected CPI for next year is flat, showing no increase. It was expressed that under these circumstances a 3 percent increase in expected expenditures is unrealistic.

Response: Reclamation and Western are sensitive to increased costs to the customers. Although Western’s and Reclamation’s budgets are not explicitly tied to the CPI or any other inflation index, both agencies are conscious of these factors and work diligently to adhere to the mandate of maintaining the lowest rates possible to the customer while using sound business principles. Both agencies continue to provide transparency in development of their annual budgets during the annual Technical Review Committee process, the Engineering and Operating Committee meetings and in the annual rate processes. Budgets are estimated as conservatively as possible, taking into consideration any increases in labor costs approved by Congress for the upcoming year. All budgets are ultimately approved in close coordination with BCP Contractors, to ensure all annual costs are covered while maintaining a safe and reliable resource.

Comment: A commenter stated that the Bureau of Reclamation’s post September 11, 2001, security costs be adjusted upward or downward with regard to the CPI. Since the CPI applicable to this budget declined, a corresponding decline in the security costs should be reflected in this budget.

Response: As stated in the notes for the Boulder Canyon Project FY2011 Final Ten Year Operating Plan under Administrative and General Expense (A&GE), an adjustment for the projected security non-reimbursable costs has been incorporated into the final total for the “Post 9/11 Security contract.” Per the Reclamation Directives & Standards (D&S) for Reimbursability of Security Costs, establishing provisions for the reimbursability of Reclamation security costs, under authority of the Reclamation Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 391) and acts amendatory thereof and supplementary thereto; Section 513 of the Consolidated Natural Resources Act of 2008 (Pub. L. 110–229), the projected FY2011 non-reimbursable security projected reduction in expense, utilizing the CPI as indicated in the D&S, and totaling $275,000 ($239,000 reducing A&GE and $36,000 reducing Visitor Services total) was factored into the FY2011 projected expenditures, per the “Report to Congress” and based upon the reimbursability ceiling for Reclamation. The D&S can be viewed at http://www.usbr.gov/recman/sle/sle05-01.pdf.

Comment: A commenter asked for an explanation of a notation made by the Bureau of Reclamation regarding the total water scheduling account being two and one half years in arrears. What impact does this statement have on the Hoover rate? Why is this account in arrears? What is being done about it?

Response: After discussions between Reclamation Water Operations, Power Office and Financial Management, Reclamation notes that the account itself is not two and one half years in arrears, and the reference will be removed from the notes under Operations summary spreadsheets in the Ten Year Operating Plan. It has no impact on the Hoover rates.

Comment: A commenter encouraged Western to file comments in FERC Docket No. RM10–11–000, Notice of Inquiry into the Integration of Variable Energy Resources, similar to those filed by the Bureau of Reclamation since integration could increase costs to the BCP.

Response: Any costs to the BCP associated with the integration of variable energy resources are speculative at this point, and therefore are not included in these proposed base charge and rates.

Availability of Information
Information about this extension and adjustment of electric service base charge and rates, including power repayment studies, comments, letters, memoranda, and other supporting material made or kept by Western used to develop the provisional base charge and rates, is available for public review in the Desert Southwest Customer Service Regional Office, Western Area...
Order

In view of the foregoing and under the authority delegated to me, I hereby confirm and approve on an interim basis, effective October 1, 2010, Rate Schedule BCP–F8, for the Boulder Canyon Project of the Western Area Power Administration. The rate schedule shall remain in effect on an interim basis, pending FERC confirmation and approval of it or substitute rates on a final basis up to September 30, 2015.

Daniel B. Poneman, Deputy Secretary.

United States Department of Energy
Western Area Power Administration

Boulder Canyon Project, Arizona, Nevada, Southern California

Schedule of Rates for Electric Service

Effective

The first day of the first full billing period beginning on or after October 1, 2010, and remaining in effect through September 30, 2015, or until superseded.

Available

In the marketing area serviced by the Boulder Canyon Project (BCP).

Applicable

To power Contractors served by the BCP supplied through one meter, at one point of delivery, unless otherwise provided by contract.

Character and Conditions of Service

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

Base Charge

The total charge paid by a Contractor for annual capacity and energy based on the annual revenue requirement. The base charge shall be composed of an energy component and a capacity component:

Energy Charge: Each Contractor shall be billed monthly an energy charge equal to the Rate Year Energy Dollar multiplied by the Contractor’s firm energy percentage multiplied by the Contractor’s monthly energy ratio as provided by contract.

Capacity Charge: Each Contractor shall be billed monthly a capacity charge equal to the Rate Year Capacity Dollar divided by 12 multiplied by the Contractor’s contingent capacity percentage as provided by contract.

Forecast Rates

Energy: Shall be equal to the Rate Year Energy Dollar divided by the lesser of the total master schedule energy or 4,501.001 million kWhs. This rate is to be applied for use of excess energy, unauthorized overruns, and water pump energy.

Capacity: Shall be equal to the Rate Year Capacity Dollar divided by 1,951,000 kWs, to be applied for use of unauthorized overruns.

Calculated Energy Rate

Within 90 days after the end of each rate year, a Calculated Energy Rate shall be calculated. If the energy deemed delivered is greater than 4,501.001 million kWhs, then the Calculated Energy Rate shall be applied to each Contractor’s energy deemed delivered. A credit or debit shall be established based on the difference between the Contractor’s Energy Dollar and the Contractor’s actual energy charge, to be applied the following month calculated or as soon as possible thereafter.

Lower Basin Development Fund Contribution Charge

The contribution charge is 4.5 mills/kWh for each kWh measured or scheduled to an Arizona purchaser and 2.5 mills/kWh for each kWh measured or scheduled to a California or Nevada purchaser, except for purchased power.

Billing for Unauthorized Overruns

For each billing period in which there is a contract violation involving an unauthorized overrun of the contractual power obligations, such overrun shall be billed at 10 times the Forecast Energy Rate and Forecast Capacity Rate. The contribution charge shall be applied also to each kWh of overrun.

Adjustments

None.

DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy

[Case No. CW–013]


ACTION: Notice of petition for waiver, notice of grant of interim waiver, and request for comments.

SUMMARY: This notice announces receipt of and publishes the General Electric Company (GE) petition for waiver (hereafter, “petition”) from specified portions of the U.S. Department of Energy (DOE) test procedure for determining the energy consumption of clothes washers. Today’s notice also grants an interim waiver of the clothes washer test procedure. Through this notice, DOE also solicits comments with respect to the GE petition.

DATES: DOE will accept comments, data, and information with respect to the GE petition until, but no later than October 25, 2010.

ADDRESSES: You may submit comments, identified by case number CW–013, by any of the following methods:

• Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.

• E-mail: AS_Waiver_Requests@ee.doe.gov

Include “Case No. CW–013” in the subject line of the message.


• Telephone: (202) 586–2945. Please submit one signed original paper copy.


Instructions: All submissions received should include the agency name and case number for this proceeding. Submit electronic comments in WordPerfect, Microsoft Word, Portable Document Format (PDF), or text (American Standard Code for Information Interchange (ASCII)) file format and