

October 1, 2001, and extending through September 30, 2002.

Following review of the written comments (absent any substantive reasons to do otherwise), the Administrator will submit the rate extension proposal for the Integrated System to the Deputy Secretary of Energy for confirmation and interim approval.

#### **b. Rationale for the Decision**

The Integrated System's FY 2000 (last year's) PRS concluded that the annual revenues needed to be increased by 0.4 percent. At that time, it was determined prudent to defer the increase in accordance with the established threshold and the current rate schedule was continued for one year. It once again seems prudent to defer this potential rate adjustment in accordance with Southwestern's rate adjustment threshold and re-evaluate the ability of the existing rate to provide sufficient revenues to satisfy costs projected in the FY 2002 (next year's) PRS. In accordance with 10 CFR Sections 903.22(h) and 903.23(a)(3), the Deputy Secretary may extend existing rates on an interim basis beyond the period specified by the FERC.

The current rate schedules for the Integrated System were confirmed and approved by the FERC on a final basis on April 29, 1998, for a period that is to end September 30, 2001. Since initial FERC approval, specific provisions within rate schedules P-98A and NPTS-98 have been revised to address issues that have arisen from restructuring of the electric industry. Rate schedules were redesignated 98B, 98C and 98D with each revision. All subsequent revisions of the Integrated System rate schedules through 98C have been approved by FERC. Rate schedules P-98D and NPTS-98D are currently under FERC review for final approval. These revisions had no impacts on the initially established revenue requirements for Southwestern's Integrated System. In addition, no change was made to the expiration date, September 30, 2001. Consequently, the net result of the revenue requirements projected in the FY1997 Integrated System Power Repayment Studies, which provided the basis for the existing rate schedules, is not changed.

#### **c. Background**

The U.S. Department of Energy was created by an Act of the U.S. Congress, Department of Energy Organization Act, Pub. L. 95-91, dated August 4, 1977, and Southwestern's power marketing activities were transferred from the Department of the Interior to the

Department of Energy, effective October 1, 1977.

Southwestern markets power from 24 multiple-purpose reservoir projects with power facilities constructed and operated by the U.S. Army Corps of Engineers (Corps). These projects are located in the States of Arkansas, Missouri, Oklahoma and Texas. Southwestern's marketing area includes these states plus Kansas and Louisiana. Southwestern's Integrated System is comprised of 22 of these projects interconnected through Southwestern's transmission system and exchange agreements with other utilities. The other two projects (Sam Rayburn and Robert Douglas Willis) are not interconnected with Southwestern's Integrated System. Their power is marketed under contracts through which two customers purchase the entire power output of each of the projects at the dams.

#### **d. Availability of Information**

Opportunity is presented for customers and interested parties to receive copies of the study data for the Integrated System. If you desire a copy of this information, please submit your request to: Mr. James W. Sherwood, Division Director, Division of Rates and Repayment, Office of Corporate Operations, One West Third Street, Tulsa, OK 74103, call (918) 595-6673 or e-mail [sherwood@swpa.gov](mailto:sherwood@swpa.gov).

Dated: April 26, 2001.

**Michael A. Deihl,**  
*Administrator.*

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### **DEPARTMENT OF ENERGY**

#### **Southwestern Power Administration**

#### **Proposed Sam Rayburn and Robert D. Willis Project Power Rate Changes**

**AGENCY:** Southwestern Power Administration, (DOE).

**ACTION:** Notice of opportunities for public review and comment

**SUMMARY:** The Administrator, Southwestern Power Administration (Southwestern), has prepared Current and Revised 2001 Power Repayment Studies (PRS) for the Sam Rayburn Dam (Rayburn) and Robert D. Willis (Willis) projects that demonstrate the need for an adjustment in annual revenues required to meet cost recovery criteria for each project. The PRS for Rayburn indicates the need for an annual revenue decrease of \$90,504. This decrease results from a decrease in

projected replacements. The PRS for the Willis project indicates the need for an annual revenue increase of \$12,816. The Willis increase results from an increase in the annual estimates for Operations and Maintenance costs of the Corps of Engineers. The Administrator has developed proposed rate schedules for the Rayburn and Willis projects to assure recovery of the required costs. The proposed rate adjustment for the Rayburn project would decrease annual revenues from \$2,168,136 to \$2,077,632 or 4.2 percent. The proposed Willis rate adjustment increases annual revenues approximately 3.8 percent from \$337,932 to \$350,748. Both rate changes will be effective October 1, 2001.

**DATES:** A Public Information Forum has been scheduled for June 14, 2001, in Tulsa Oklahoma. A Public Comment Forum will be held July 18, 2001, in Tulsa, Oklahoma. Written comments are due on or before August 9, 2001. Southwestern is conducting a 90 day public notice and comment period (10 CFR 903.14(d)) to process both the Rayburn and Willis rate adjustments at the same time.

**ADDRESSES:** Written comments should be submitted to the Administrator, Southwestern Power Administration, U.S. Department of Energy, One West Third Street, Tulsa, Oklahoma 74103.

**FOR FURTHER INFORMATION CONTACT:** Mr. Forrest E. Reeves, Assistant Administrator, Office of Corporate Operations, Southwestern Power Administration, U.S. Department of Energy, One West Third Street, Tulsa, Oklahoma 74103, (918) 595-6696.

#### **SUPPLEMENTARY INFORMATION:**

##### **a. Background**

The U.S. Department of Energy was created by an Act of the U.S. Congress, Department of Energy Organization Act, Pub. L. 95-91, dated August 4, 1977, and Southwestern's power marketing activities were transferred from the Department of the Interior to the Department of Energy, effective October 1, 1977.

Southwestern markets power from 24 multiple-purpose reservoir projects with power facilities constructed and operated by the U.S. Army Corps of Engineers. These projects are located in the states of Arkansas, Missouri, Oklahoma and Texas. Southwestern's marketing area includes these states plus Kansas and Louisiana. Of the total, 22 projects comprise an Integrated System and are interconnected through Southwestern's transmission system and exchange agreements with other utilities. The Rayburn project, located in eastern Texas, is not interconnected

with Southwestern's Integrated System hydraulically, electrically, or financially. Instead, the power produced by the Rayburn project is marketed by Southwestern as an isolated project under a contract through which the customer purchases the entire power output of the project at the dam. The Willis project, located on the Neches River downstream from the Rayburn, consists of two 4,000 kilowatt hydroelectric generating units. It, like the Rayburn project, is marketed as an isolated project under a contract through which the customer receives the entire output of the project for a period of 50 years as a result of funding the construction of the hydroelectric facilities at the project. A separate PRS is prepared for each project based on its isolated project determination.

#### b. Decision and Rationale

Following Department of Energy Order Number RA 6120.2, the Administrator, Southwestern, prepared a Current PRS for the Rayburn project using the existing annual rate of \$2,168,136. The study indicates that by maintaining the current rate, surpluses would result in FY 2018, the year the project investment is due, and in the 50th year of the study. This is primarily the result of reduced estimated replacement investment. The Revised PRS indicates that by decreasing revenues \$90,504 (4.2 percent) annually, repayment criteria would continue to be met.

The Current PRS for the Willis project indicates that by maintaining the current rate, a revenue deficit is shown for the project. This is primarily a result of an increase in the Corps of Engineers estimated Operations and Maintenance costs. The Revised PRS for the Willis project shows that an increase of \$12,816 (3.8 percent) annually will be sufficient to satisfy repayment criteria. This increase would change annual revenues produced by the Willis Project from \$337,932 to \$350,748 and satisfy the present financial criteria for repayment of the project.

#### c. Availability of Information

Opportunity is presented for customers and interested parties to receive copies of the studies and proposed rate schedule for the Rayburn and Willis projects. If you desire a copy of the Repayment Study Data Package for these projects, please submit your request to: Mr. James W. Sherwood, Director, Division of Rates and Repayment, One West Third Street, Tulsa, OK 74103, (918) 595-6673 or e-mail [sherwood@swpa.gov](mailto:sherwood@swpa.gov).

A Public Information Forum is scheduled to be held at 1:30 p.m., central daylight time (C.D.T.) Thursday, June 14, 2001, in Southwestern's offices, room 1600, Williams Center Tower 1, One West Third Street, Tulsa, Oklahoma. The Forum is to explain to customers and interested parties the proposed rates and supporting studies. The Forum will be conducted by a chairperson who will be responsible for orderly procedure. Questions concerning the rates, studies and information presented at the forum may be submitted from interested persons and will be answered, to the extent possible, at the forum. Questions not answered at the Forum will be answered in writing, except the questions involving voluminous data contained in Southwestern's records may best be answered by consultation and review of pertinent records at Southwestern's offices. Persons interested in attending the Public Information Forum should indicate in writing by 4 p.m., C.D.T., Friday, June 8, 2001, their intent to appear at such Forum. Accordingly, if no one so indicates their intent to attend, no such Forum will be held.

A Public Comment Forum is scheduled to be held at 1:30 p.m., C.D.T., Thursday, July 18, 2001, at the same location established for the Public Information Forum. At the Public Comment Forum, interested persons may submit written comments or make oral presentations of their views and comments. This forum will also be conducted by a chairperson who will be responsible for orderly procedure. Southwestern's representatives will be present, and they and the chairperson may ask questions of speakers. The chairperson may allow others to speak if time permits. Persons interested in attending or speaking at the Public Comment Forum should indicate in writing by 4 p.m., C.D.T., Friday, July 13, 2001, their intent to appear at such Forum. Accordingly, if no one so indicates their intent to attend, no such Forum will be held.

A transcript of each Forum will be made. Copies of the transcripts may be obtained from the transcribing service. Copies of all documents introduced will be available from Southwestern upon request, for a fee. Written comments on the proposed rates for the Rayburn and Willis projects are due on or before 90 days from publication of this notice in the **Federal Register**. Written comments should be submitted to the Administrator, Southwestern Power Administration, U. S. Department of Energy, One West Third Street, Tulsa, Oklahoma 74103.

Following review of the oral and written comments, the Administrator will submit the rate proposals and the Power Repayment Studies for the Rayburn and Willis projects, in support of the proposed rates, to the Deputy Secretary of Energy for confirmation and approval on an interim basis and then to the Federal Energy Regulatory Commission (FERC) for confirmation and approval on a final basis. The FERC will allow the public an additional opportunity to provide written comments on the proposed rate adjustments before making a final decision.

Dated: April 27, 2001.

**George C. Grisaffe,**

*Acting Administrator.*

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## DEPARTMENT OF ENERGY

### Western Area Power Administration

#### Post-2004 Resource Pool-Loveland Area Projects

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

**ACTION:** Notice of proposed allocation.

**SUMMARY:** Western Area Power Administration (Western), a Federal power marketing agency of the Department of Energy (DOE), announces its Post-2004 Resource Pool Proposed Allocation of Power developed under the requirements of Subpart C—Power Marketing Initiative of the Energy Planning and Management Program (Program) Final Rule, 10 CFR part 905.

Western's call for applications was published in the **Federal Register** at 65 FR 12987, March 10, 2000. Applications for power were accepted at Western's Rocky Mountain Customer Service Region until close of business September 6, 2000. Review of those applications resulted in the Proposed Allocation of Power published in this notice.

**DATES:** The comment period on the Proposed Allocation of Power begins today and ends September 10, 2001. To be assured of consideration, Western must receive all written comments by the end of the comment period. Western will hold public information forums about the proposed allocations on August 2, 7, and 9, 2001, at the following locations and times:

1. August 2, 2001, information forum begins at 10 a.m. in Westminster, Colorado.

2. August 7, 2001, information forum begins at 10 a.m. in Casper, Wyoming.