

4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, October 31, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-28503 Filed 11-21-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-88-NG]

Vermont Gas Systems, Inc.; Order Granting Blanket Authorization To Import and Export Natural Gas From and to Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Vermont Gas Systems, Inc.

authorization to import up to 20 Bcf of natural gas and export up to 20 Bcf of natural gas from and to Canada over a two-year term beginning the date of first import or export delivery after December 22, 1995.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, November 2, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-28497 Filed 11-21-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-80-NG]

Williams Energy Systems Company; Order Granting Blanket Authorization To Import and Export Natural Gas From and to Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Williams Energy Systems Company authorization to import up to 730 Bcf of natural gas from Canada and export up to 730 Bcf of natural gas to Canada over a two-year term beginning on the date of the first delivery.

This order is available for inspection and copying in the Office of Fuels

Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, October 31, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy

[FR Doc. 95-28504 Filed 11-21-95; 8:45 am]

BILLING CODE 6450-01-P

Western Area Power Administration

Boulder Canyon Project—Notice of Rate Order

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of rate order.

SUMMARY: This notice announces the confirmation and approval by the Deputy Secretary of the Department of Energy (DOE) of Rate Order No. WAPA-70 and Rate Schedule BCP-F5 placing into effect the rate methodology for determining the Annual Revenue Requirement, Base Charge, Forecast Capacity Rate and Forecast Energy Rate, and Calculated Energy Rate for the Boulder Canyon Project (BCP) of the Western Area Power Administration (Western) on an interim basis. The rate methodology and the charges/rates will remain in effect on an interim basis until the Federal Energy Regulatory Commission (FERC) confirms, approves, and places them into effect on a final basis or until superseded.

DATES: Rate Schedule BCP-F5 will be placed into effect on an interim basis on the first day of the first full billing period beginning on or after November 1, 1995, and will be in effect until FERC confirms, approves, and places the rate schedule in effect on a final basis for a 5-year period, or until superseded.

FOR FURTHER INFORMATION CONTACT:

Mr. J. Tyler Carlson, Area Manager, Phoenix Area Office, Western Area Power Administration, P.O. Box 6457, Phoenix, AZ 85005-6457 and (602) 352-2453 and

Mr. Joel K. Bladow, Assistant Administrator for Washington Liaison, Western Area Power Administration, Room 8G-027, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585-0001, (202) 586-5581.

SUPPLEMENTARY INFORMATION: The proposed rate methodology is the result

of Western, the Bureau of Reclamation (Reclamation), and the BCP Contractors¹ successfully concluding negotiations on the BCP Implementation Agreement which became effective February 17, 1995. The BCP Implementation Agreement resolved eleven issues (1) Replacements; (2) Visitor Facilities; (3) Amendment to Regulations; (4) Multi-Project Benefits and Costs; (5) Engineering & Operation Committee (E&OC) and Coordinating Committee; (6) Billing and Payment; (7) Operation Amount and Working Capital; (8) Audits; (9) Principal Payments; (10) Annual Rate Adjustments; and (11) Uprating Credits.

Four major changes are affecting the power rates for the BCP. The first change concerns the ratesetting methodology. Under the Implementation Agreement of February 17, 1995, the new rate methodology provides that the BCP Contractors will pay each year for the Annual Revenue Requirement. From the Annual Revenue Requirement, a Base Charge for both capacity and energy is calculated. The Base Charge is calculated by dividing the Annual Revenue Requirement equally between energy (Energy Dollar) and capacity (Capacity Dollar), with an adjustment (Capacity Credit) to resolve the historic revenue imbalance between energy and capacity. The Contractor's energy Base Charge each month will be the Rate Year's Energy Dollar multiplied by the Contractor's Firm Energy percentage multiplied by the Contractor's Monthly Energy Ratio. The Contractor's capacity Base Charge each month will be the Rate Year's Capacity Dollar divided by 12 multiplied by the Contractor's Contingent Capacity percentage.

For each Rate Year, Western will calculate a Forecast Capacity Rate and a Forecast Energy Rate. These rates will be applied to services such as: excess energy, unauthorized overruns, and water pump energy. Within 90 days after the end of the Rate Year, a Calculated Energy Rate shall be calculated.

The second change concerns reducing the Annual Uprating Payments. The Uprating payments are payments due the BCP Schedule B Contractors for advancing funds to upgrade the BCP system. The Colorado River Commission

¹ The BCP Contractors include the Arizona Power Authority; Colorado River Commission of Nevada; City of Boulder City, Nevada; Department of Water and Power of the City of Los Angeles; The Metropolitan Water District of Southern California; Southern California Edison Company; and the Cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, and Vernon, California.

of Nevada requested and obtained approval from the BCP Engineering & Maintenance Committee to reduce their Uprating Credit Carryforward balance.

The third change concerns the projection of a large carryover balance in the Colorado River Dam Fund, which is proposed to be applied against FY 1996 expenses, reducing the need for FY 1996 revenue. In previous rate studies, no carryover balance was assumed available in the ratesetting year. However, implementing a provision of the BCP Implementation Agreement

requires projecting *actual* FY 1996. This rate order assumes the full amount of the carryover is applied against FY 1996 expenses, offsetting the need for an equal amount of power revenue in FY 1996.

The fourth change affecting the BCP power rate is the assumed completion of the Hoover Dam Visitor Facilities in FY 1996. This increases the annual interest payment due in FY 1996 and subsequent years by nearly \$10 million annually. Partially offsetting this increased expenses is an increase in

revenue from visitors' fees assumed to begin in FY 1996. The "Other revenue" category is assumed to increase from \$2.4 million in FY 1995 to \$6.0 million in FY 1996.

The net effect of all these changes is to decrease the revenues that need to be collected through power bills in FY 1996 from \$49.3 million to \$45.2 million on an 8.4 percent decrease.

The existing rate, proposed Base Charge, Forecast Energy Rate, and Forecast Capacity Rate for the 5-year period are as follows:

	Existing rates (FY 1995)		Proposed ² charges/rates (FY 1996)
Rate Schedule	BCP-F4/2		BCP-F5
		Base Charge ³ (\$1,000):	
		Energy Dollar	\$23,460
		Capacity Dollar	\$21,737
Firm Energy Rate (mills per kilowatthour)	6.31	Forecast Energy Rate (mills per kilowatthour)	6.12
Firm Capacity Rate (\$ per kilowatt-month)	1.07	Forecast Capacity Rate (\$ per kilowatt-month)	\$0.93
Composite Rate (mills per kilowatthour)	12.62	Composite Rate (mills per kilowatthour)	11.79

²New rates will be determined each year, based upon the proposed new rate setting methodology. These charges and rates represent FY 1996 only.

³The monthly charge for each Contractor is calculated as follows: (1) Energy Base Charge=Rate Year Energy Dollar multiplied by the Contractor's Firm Energy percentage multiplied by its Monthly Energy Ratio and (2) Capacity Base Charge=Rate Year Capacity Dollar divided by 12 multiplied by the Contractor's contingent Capacity percentage. For FY 1996, upon the determination of the actual October 1995 energy and capacity charges, the monthly Energy Charge and Capacity Charge for the remaining months will be adjusted so the BCP Contractors will not pay more than the FY 1996 Annual Revenue Requirement.

Upon completion of the written procedures for the Uprating Credit Program and receipt of revised Uprating Credit Schedules, the FY 1996 Energy Dollar and Capacity Dollar will be adjusted by the difference over the remaining months of FY 1996 so the BCP Contractors will not pay more than the FY 1996 Annual Revenue Requirement.

Statement of Annual Base Charge

The annual Base Charge for both capacity and energy for the BCP will be based upon the estimated Annual Revenue Requirement contained in the annual power repayment spreadsheet study (PRSS). The Base Charge is comprised of the Energy Dollar (50-percent of the Annual Revenue Requirement plus the Capacity Credit) and Capacity Dollar (50-percent of the Annual Revenue Requirement minus the Capacity Credit). Differences between the estimated and the actual Annual Revenue Requirement for the Rate Year will be calculated at the end of each FY when final financial data becomes available and will be used in adjusting the next years' Annual Revenue Requirement.

By Amendment No. 3 to Delegation Order No. 0204-108, published November 10, 1993 (58 FR 59716), the Secretary of Energy (Secretary) delegated (1) the authority to develop

long-term power and transmission rates on a nonexclusive basis to the Administrator of Western; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC. Existing DOE procedures for public participation in power rate adjustments (10 CFR Part 903) became effective on September 18, 1985 (50 FR 37835).

These power rates are established pursuant to section 302(a) of the DOE Organization Act, 42 U.S.C. § 7152(a), through which the power marketing functions of the Secretary of the Interior and Reclamation under the Reclamation Act of 1902, 43 U.S.C. § 371 *et seq.*, as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939, 43 U.S.C. § 485h(c), and other acts specifically applicable to the project system involved, were transferred to and vested in the Secretary.

During the 109-day comment period, Western received eight written comments. In addition, five speakers commented during the July 13, 1995, public comment forum. All comments and responses are addressed in the rate order.

Rate Order No. WAPA-70, confirming, approving, and placing the proposed rate methodology for determining the Annual Revenue Requirement, Base Charge, Forecast Capacity Rate, Forecast Energy Rate, and Calculated Energy Rate for the BCP into effect on an interim basis, is issued, and the Rate Schedule BCP-F5 will be submitted promptly to FERC for confirmation and approval on a final basis.

Issued in Washington, DC, October 31, 1995.

Charles B. Curtis,
Deputy Secretary,
Department of Energy, Deputy Secretary Order Confirming, Approving, and Placing the Boulder Canyon Project Firm Power Service Rate Into Effect on an Interim Basis

In the matter of: Western Area Power Administration Rate Adjustment for Boulder Canyon Project

[Rate Order No. WAPA-70]

November 1, 1995.

The rate methodology is established pursuant to section 302(a) of the Department of Energy (DOE) Organization Act, 42 U.S.C. § 7152(a), through which the power marketing functions of the Secretary of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation

Act of 1902, 43 U.S.C. § 371 *et seq.*, as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939, 43 U.S.C. § 485h(c), and other acts specifically applicable to the project system involved were transferred to and vested in the Secretary of Energy (Secretary).

By Amendment No. 3 to Delegation Order No. 0204-108, published November 10, 1993 (58 FR 59716), the Secretary delegated (1) the authority to develop long-term power and transmission rates on a nonexclusive basis to the Administrator of the Western Area Power Administration (Western); (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission. Existing DOE procedures for public participation in power rate adjustments (10 CFR Part 903) became effective on September 18, 1985 (50 FR 37835).

Acronyms and Definitions

As used in this rate order, the following acronyms and definitions apply:

1941 General Regulations: General regulations for generation and sale of power in accordance with the Boulder Canyon Project Adjustment Act.

1984 Act: Hoover Power Plant Act of 1984, August 17, 1984 (43 U.S.C. 619 *et seq.*).

Adjustment Act: Boulder Canyon Project Adjustment Act, July 19, 1940 (43 U.S.C. 618 *et seq.*).

Annual Capacity Credit: The dollar amount used to adjust the Energy Dollar and Capacity Dollar in order to resolve the historic revenue imbalance between energy and capacity.

Annual Rate: A rate revision recommended to and approved by the Deputy Secretary of Energy for approval on an annual basis for the interim years of the 5-year period.

Annual Revenue Requirement: An amount used to calculate the Capacity Dollar and Energy Dollar equal to the estimated actual expenses for the Rate Year less the sum of (1) multi-project benefits; (2) carryover of funds from the prior FY; (3) estimated BCP water revenue; (4) estimated User Fees; and (5) funds from other sources, except revenue from the sale of capacity and energy.

Base Charge: The total charge paid by a Contractor for capacity and energy based on the Annual Revenue Requirement, pursuant to Section 13 of

the BCP Implementation Agreement effective February 17, 1995. The Base Charge shall be composed of a capacity component and an energy component.

BCP: Boulder Canyon Project.

BCP Contractors: The BCP Contractors include the Arizona Power Authority; Colorado River Commission of Nevada; City of Boulder City, Nevada; Department of Water and Power of the City of Los Angeles, California; the Metropolitan Water District of Southern California; Southern California Edison Company; and the Cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, and Vernon, California.

BCP Implementation Agreement: An agreement which became effective February 17, 1995. The agreement resolved eleven issues (1) Replacements; (2) Visitor Facilities; (3) Amendment to Regulations; (4) Multi-Project Benefits and Costs; (5) Engineering & Operating Committee (E&OC) and Coordinating Committee; (6) Billing and Payment; (7) Operating Amount and Working Capital; (8) Audits; (9) Principal Payments; (10) Annual Rate Adjustments; and (11) Uprating Credits.

Calculated Energy Rate: This rate equals fifty percent (50%) of the Annual Revenue Requirement for each FY divided by the Energy Deemed Delivered in such FY.

Capacity Dollar: The amount of revenue to be billed for Project capacity sales for each Fiscal Year. Such amount shall be fifty percent (50%) of the Annual Revenue Requirement, adjusted for the Annual Capacity Credit in accordance with Section 13.9 of the BCP Implementation Agreement.

Colorado River Basin Project Act: The Colorado River Basin Project Act, September 30, 1968 (43 U.S.C. 1501 *et seq.*).

Contribution Charge: LCRBDF surcharge is part of the rate schedule and is expressed in mills per kWh; required by law to be included in the BCP rates.

Conformed Criteria: Conformed general consolidated power marketing criteria or regulations for Boulder City Area Projects (49 FR 50582, December 28, 1984) beginning on June 1, 1987.

CRDF: Colorado River Dam Fund. A fund established by Section 2 of the Project Act which is to be used only for the purposes specified in the Adjustment Act, Colorado River Basin Project Act of 1968, and the 1984 Act.

DOE: Department of Energy.

DOE Order RA 6120.2: An order related to power marketing administration financial reporting.

\$/kW-month: Dollars per kilowatt-month.

E&OC: Engineering and Operating Committee, consisting of members from BCP Contractors, Western, and Reclamation. Its function is to establish a regular review process of Western's and Reclamation's planned O&M, additions, and replacements.

Energy Deemed Delivered: The amount of energy scheduled, delivered, metered and calculated to be delivered to each Contractor, including M_L and S_L.

Energy Dollar: The amount of revenue to be billed for BCP energy sales for each FY. Such amount shall be fifty percent (50%) of the Annual Revenue Requirement, adjusted for the Annual Capacity Credit in accordance with Section 13.9 of the BCP Implementation Agreement.

FERC: Federal Energy Regulatory Commission.

Forecast Capacity Rate: This rate equals the Capacity Dollar divided by 1,951,000 kW.

Forecast Energy Rate: This rate equals the Energy Dollar divided by the lesser of the Total Master Schedule or 4,501.001 MWh.

FY: Fiscal Year.

Hoover Dam: The dam on the Colorado River which forms Lake Mead.

kW: Kilowatt.

kWh: Kilowatthour.

LCRBDF: Lower Colorado River Basin Development Fund—a fund established by the Colorado River Basin Project Act of 1968.

M_L and S_L: Motoring losses and system losses.

Master Schedule: This is an 18-month schedule of projected BCP hydrology.

mills/kWh: Mills per kWh.

Monthly Energy Ratio: The estimated amount of energy each Contractor is to receive each month in accordance with the final Master Schedule divided by the total energy that Contractor is to receive in that FY under the final Master Schedule.

NEPA: National Environmental Policy Act of 1969.

OMB: Office of Management and Budget.

O&M: Operation and maintenance.

Project Act: The Boulder Canyon Project Act authorizing the construction of Boulder Canyon Project dated December 21, 1928 (43 U.S.C. 617 *et seq.*).

PRSS: Power Repayment Spreadsheet Study.

Rate Year: The FY in which the Base Charge, Forecast Capacity Rate, and Forecast Energy Rate are determined and effective.

Reclamation: Bureau of Reclamation, U.S. Department of the Interior.

Replacements: A unit of property constructed or acquired as a substitute

for a existing unit of property for the purpose of maintaining the power features of a project or the joint features properly allocated to power.

Schedule B Contractors: The BCP Contractors that advanced funds to upgrade the BCP System.

Secretary: Secretary of Energy.

Treasury: Secretary of the Department of the Treasury.

Upgrading Program: A program nonfederally financed by eleven (11) of the BCP Contractors. The purpose was to increase the capacity of the existing generating and associated electrical equipment at the BCP.

Western: Western Area Power Administration, U.S. Department of Energy.

Western's 1986 General Regulations: General Regulations for the Regulations: Charges for the Sale of Power from the Boulder Canyon Project, 10 CFR Part 904.

Working Capital Fund: Reserve of funds contributed by the Contractors to be used when the Colorado River Dam Fund has no money available.

Effective Date

The proposed rate methodology for determining the Annual Revenue Requirement, Base Charge, Forecast Capacity Rate, Forecast Energy Rate, and Calculated Energy Rate, will become effective on an interim basis beginning November 1, 1995, and remain in effect pending FERC's approval on a final basis for a 5-year period, or until superseded.

Public Notice and Comment

The Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR Part 903, have been followed by Western in developing the method of determining the Annual Revenue Requirement, Base Charge, Forecast Capacity Rate, Forecast Energy Rate, and the Calculated Energy Rate.

The following summarizes the steps Western took to ensure involvement of interested parties in the rate process:

1. Discussion of the proposed rate methodology was initiated at an informal BCP Contractor meeting held on April 13, 1995, in Phoenix, Arizona. At this informal meeting, Western and Reclamation representatives explained the need for a change in the Annual Revenue Requirements, Forecast Capacity Rate, Forecast Energy Rate, and answered questions from those persons attending.

2. A Federal Register notice was published on May 8, 1995 (60 FR 22575), officially announcing the proposed firm power rate adjustment

process, initiating the public consultation and comment period, announcing the public information and public comment forums, and presenting procedures for public participation.

3. On May 18, 1995 a letter was mailed from Western's Phoenix Area Office to all Boulder Canyon Project customers and other interested parties providing a copy of the Boulder Canyon Project Rate Brochure, dated May 1995, which included a copy of the Federal Register notice of May 8, 1995.

4. At the public information forum held on June 15, 1995, Western and Reclamation representatives explained the proposed rate methodology, a change in the proposed billing procedure, and outlined the reasoning for the overall decrease in the Annual Revenue Requirement for Rate Year 1996 in greater detail and answered questions.

5. On August 4, 1995, a letter was mailed from Western's Phoenix Area Office to all Boulder Canyon Project customers and other interested parties announcing the extension of the consultation and comment period through August 25, 1995.

6. A public comment forum was held on July 13, 1995, to give the public an opportunity to comment for the record. Five persons representing customers and customer groups made oral comments.

7. A Federal Register notice was published on August 21, 1995, announcing the extension of the consultation and comment period through August 25, 1995.

8. Eight comment letters were received during the 109-day consultation and comment period. The consultation and comment period ended August 25, 1995. All formally submitted comments have been considered in the preparation of this rate order.

Project History

The BCP was authorized for construction by the Project Act. The Project Act provided for a dam to be built in the Black Canyon located on the Colorado River adjacent to the Arizona-Nevada border. The dam was built for the expressed purposes of (1) controlling the flooding in the lower regions of the Colorado River drainage system; (2) improving navigation of the Colorado River and its tributaries; (3) regulating the Colorado River, while providing storage and delivery of the stored water for the reclamation of public lands; and (4) generating electrical energy as a means of making the BCP a self-supporting and financially solvent undertaking. Congress authorized the Treasury to

advance up to \$165 million to the Secretary of the Interior to provide for the construction of the dam, powerplant, and related features; \$25 million of the \$165 million was allocated to flood control.

Construction of the Hoover Dam, formerly known as Boulder Dam, began in 1930, and the first generating unit of the powerplant went into service in 1937. Upon completion of the project facilities, power sales commenced, in accordance with the provisions of the Project Act, to contractors in the states of Arizona, California, and Nevada.

The Project Act was modified in 1940 by the Adjustment Act. The Adjustment Act, among other things, authorized the Secretary of the Interior to promulgate and to put into effect power rates based upon a repayment period from June 1, 1937, to May 31, 1987; to reduce the interest rate from 4 percent to 3 percent per annum on unpaid Treasury advances; to require annual payments to the states of Arizona and Nevada in lieu of taxes levied; and to defer without interest until June 1, 1987, the repayment of the \$25 million allocated to flood control.

Subsequent and pursuant to the Adjustment Act, the Secretary of the Interior published and implemented the 1941 General Regulations for the period ending May 31, 1987.

As the end of the 50-year term of the original contracts approached, controversy developed among the BCP contractors over renewal rights to the BCP power, and litigation resulted. Compromises were reached and embodied in the 1984 Act.

The 1984 Act authorized an increase in the capacity of the existing generating and associated electrical equipment at the BCP. The work to accomplish this increase, referred to as the Upgrading Program, was funded initially by advances from certain BCP Contractors to Reclamation. Funds advanced would be returned to these contractors through credits on their monthly power bills. The 1984 Act provided for advances from the Treasury for the improvement of visitor facilities at the BCP. The 1984 Act also required that an additional charge of 4.5 mills/kWh be assessed on energy sales to Arizona and an additional charge of 2.5 mills/kWh be assessed on energy sales to California and Nevada; all revenue resulting from the Contribution Charge is to be transferred to the LCRBDF.

Under the 1984 Act, the BCP's power was sold to 15 contractors located in the states of Arizona, California, and

Nevada, in accordance with the Conformed Criteria.

Due to the numerous requirements set out in the 1984 Act and the earlier separation of the Federal responsibilities relating to Hoover Dam between Reclamation and Western, both agencies published new regulations governing their respective responsibilities at the BCP after June 1, 1987. These regulations are cited herein as Reclamation's 1986 General Regulations and Western's 1986 General Regulations, and they supersede the 1941 General Regulations, which terminated on May 31, 1987.

Power Repayment Spreadsheet Studies

A PRSS is prepared each FY to determine the power revenues required to pay, within the prescribed time periods, all costs assigned to the power function. Repayment criteria are based on law, policies, and authorizing legislation. DOE Order RA 6120.2, section 12b, requires that:

In addition to the recovery of the above costs (operation and maintenance and interest expenses) on a year-by-year basis, the expected revenues are at least sufficient to recover (1) each dollar of power investment at Federal hydroelectric generating plants within 50 years after they become revenue producing, except as otherwise provided by law; plus, (2) each annual increment of Federal transmission investment within the average service life of such transmission

facilities or within a maximum of 50 years, whichever is less; plus, (3) the cost of each replacement of a unit of property of a Federal power system within its expected service life up to a maximum of 50 years; plus, (4) each dollar of assisted irrigation investment within the period established for the irrigation water users to repay their share of construction costs; plus, (5) other costs such as payments to basin funds, participating projects, or States.

The BCP PRSS has been used to determine the Annual Revenue Requirement, which includes the net of expenses (OM&R, payment to states, uprating credit payments, interest and principal payments, working capital) minus other revenue (prior year carryover balance, water revenue, and other revenue).

Existing and Provisional Rates

A comparison of the existing and provisional charges and rates follows:

	Existing charges/rates (FY 1995)		Proposed ⁵ charges/rates (FY 1996)
Rate Schedule	BCP-F4/2		BCP-F5
		Base Charge ⁶ (\$1,000):	
		Energy Dollar	\$23,460
		Capacity Dollar	\$21,737
Firm Energy Rate (mills per kilowatthour)	6.31	Forecast Energy Rate (mills per kilowatthour)	6.12
Firm Capacity Rate (\$ per kilowatt-month)	1.07	Forecast Capacity Rate (\$ per kilowatt-month)	\$0.93
Composite Rate (mills per kilowatthour)	12.62	Composite Rate (mills per kilowatthour)	11.79

⁵New rates will be determined each year, based upon the proposed new rate setting methodology. These charges and rates represent FY 1996 only.

⁶The monthly charge for each Contractor is calculated as follows: (1) Energy Base Charge = Rate Year Energy Dollar multiplied by the Contractor's Firm Energy percentage multiplied by its Monthly Energy Ratio and (2) Capacity Base Charge = Rate Year Capacity Dollar divided by 12 multiplied by the Contractor's contingent Capacity percentage. For FY 1996, upon the determination of the actual October 1996 energy and capacity charges, the monthly Energy Charge and Capacity Charge for the remaining months will be adjusted so the BCP Contractors will not pay more than the FY 1996 Annual Revenue Requirement.

Certification of Rate

Western's Administrator has certified that the rate methodology for determining the BCP Annual Revenue Requirement, Base Charge, Forecast Energy Rate, Forecast Capacity Rate, and Calculated Energy Rate placed into effect on an interim basis herein are the lowest possible, consistent with sound business principles. The rate methodology has been developed in accordance with administrative policies and applicable laws.

Discussion

Western is requesting approval to place into effect a new rate methodology. Each year the contractors will pay the BCP the total estimated Annual Revenue Requirement in return for up to 1,951,000 kW of capacity and 4,501.001 MWh of energy at the BCP. The capacity and energy, produced up to the above limits at the BCP, have been allocated to the contractors on a

percentage basis. Western will prepare an annual PRSS which will identify the estimated annual revenue requirements for the next FY. The annual operation, maintenance, and replacement budgets will be presented to and approved by the BCP E&OC.

Upon completion of the Uprating Credit Procedures and receipt of revised Uprating Credit Schedules, the FY 1996 Energy Dollar and Capacity Dollar will be adjusted by the difference between the originally projected Annual Uprating Credit Payments and the revised Annual Uprating Credit Payments and spread over the remaining months of FY 1996 so the BCP Contractors will not pay more than the revised FY 1996 Annual Revenue Requirement.

Revenue Requirements

The existing and proposed Annual Revenue Requirements for the BCP are as follows:

	Estimated existing	FY 1996 proposed
Annual Revenue Requirements (rounded to nearest \$1,000)	\$57,720	\$45,197

The methodology for determining the Annual Revenue Requirement will satisfy the cost-recovery criteria set forth in DOE Order RA 6120.2.

Statement of Revenue and Related Expenses

The Annual Revenue Requirement for the BCP is based upon Ratebase PRSS estimates of the Rate Year's annual costs less other revenues. Each FY's estimated Annual Revenue Requirement will be adjusted when actual financial data becomes available. The following table provides a summary of the revenue and related expenses through the 5-year provisional rate approval period.

BOULDER CANYON PROJECT PROJECTIONS OF 5-YEAR PERIOD REVENUES AND EXPENSES

[In thousands of dollars]

	Provisional annual revenue requirement PRSS 1996-2000	Existing annual revenue requirement PRSS 1996-2000	Difference
Total Revenues	\$276,261	\$269,702	\$6,559
Revenue Distribution:			
O&M	131,051	110,664	20,387
Payment to States	3,000	3,000	0
Other Expenses	23,201	18,950	4,251
Annual Upgrading Payments	74,699	76,888	-2,189
Annual Replacements	20,402	10,577	9,825
Working Capital Fund	653	0	653
Interest	62,577	53,996	8,581
Principal Payments	13,255	12,887	368
CRDF Carry-Over Balance	(13,317)	0	-13,317
Water Sales	(2,650)	(2,250)	-400
Other Revenue	(36,610)	(15,010)	-21,600
Annual Revenue Requirement (rounded to the nearest \$1,000)	276,261	269,702	6,559

NOTE: The difference between the Annual Revenue Requirements for the existing rates and the provisional rates is because the existing rates are based upon the FY 1993 budget and the provisional rates are based upon the FY 1996 budget.

Basis for Rate Methodology—Boulder Canyon Project

The proposed rate methodology is the result of Western, Reclamation, and the BCP Contractors successfully concluding negotiations on the BCP Implementation Agreement which became effective February 17, 1995.

The FY 1996 Energy Dollar and Capacity Dollar are designed to maintain a 50/50 split between revenue earned from energy and revenue earned from capacity. The Capacity Credit revenue adjustment resolves the historic imbalance between revenues collected from capacity and energy. The cost to individual BCP Contractor will vary because of the differences in each BCP Contractor's entitlement.

Each Contractor shall be billed monthly a Base Charge comprised of (1) an energy charge equal to the Rate Year Energy Dollar multiplied by the Contractor's Firm Energy percentage multiplied by their Monthly Energy Ratio and (2) a capacity charge equal to the Rate Year Capacity Dollar divided by 12 multiplied by the Contractor's Contingent Capacity percentage. The FY 1996 Rate Year's Energy Dollar and Capacity Dollar will be adjusted over the remaining 11 months of FY 1996, so that the BCP Contractors will not pay more than the estimated Annual Revenue Requirement for FY 1996. The monthly energy and capacity charge will be due and payable regardless of the amount of power and energy produced by the BCP.

In addition to the Contractor's monthly base charge, a Forecast Energy Rate and a Forecast Capacity Rate shall

be calculated and will be applied, for (1) excess energy, (2) unauthorized overruns, and (3) water pump energy.

Within 90 days after the end of the FY and the Energy Deemed Delivered has been determined, Western shall determine the Calculated Energy Rate. If the Energy Deemed Delivered is greater than 4,501.001 MWh, Western shall then apply the Calculated Energy Rate to each Contractor's Energy Deemed Delivered to determine the Contractor's actual energy charge. Western shall then establish a credit or debit for each Contractor based on the difference between the Contractor's Energy Dollar and the Contractor actual energy charge. Such credit or debit shall be issued by Western against the Contractor in the month following the calculation or as soon as possible thereafter.

The preparation of each FY's PRSS shall include adjustments from estimates to actuals in the previous year's PRSS. Any adjustments required, whether resulting in an increase or decrease of the annual revenue requirement, will be carried forward and included in the estimated revenue requirement for the calculation of the next Rate Year.

Comments

During the 109-day comment period, Western received eight written comments either requesting information or commenting on the rate adjustment. In addition, five persons commented during the July 13, 1995, public comment forum. All comments were reviewed and considered in the preparation of this rate order.

Written comments were received from the following sources:

Colorado River Commission of Nevada (Nevada)

Irrigation & Electrical Districts Association of Arizona (Arizona)

Mr. Northcutt Ely for Los Angeles, City of, Department of Water and Power and Southern California Edison Company (California) (2)

Metropolitan Water District of Southern California (California)

Overton Power District No. 5 and Valley Electric Association (Nevada)

R.W. Beck for the Arizona Power Authority (Arizona)

Vernon, City of (California)

Representatives of the following organizations made oral comments:

Arizona Power Authority (Arizona) (3 speakers)

Overton Power District No. 5 and Valley Electric Association (Nevada)

Los Angeles, City of, Department of Water and Power and Southern California Edison Company (California)

Most of the comments received at the public meetings and in correspondence dealt with the proposed rates, hydrology, cost containment, and working capital fund. All comments were considered in developing the proposed BCP rates.

The comments and responses, paraphrased for brevity, are discussed below. Direct quotes from comment letters are used for clarification where necessary.

Boulder Canyon Comments

Rates

Issue: Some customers are requesting a delay in the BCP rate process in order to allow the customers, Western, and Reclamation sufficient time to complete their current efforts; in particular, efforts of the uprating credits committee.

Response: Western and Reclamation believe a 30-day delay in the implementation of the proposed rate methodology until November 1, 1995, would be in the best interest of the BCP Contractors. The 30-day delay allowed the Colorado River Commission of Nevada (CRC) to obtain the August 16, 1995, approval by the BCP E&OC of a request concerning CRC's uprating credit carryforward balance and allow Western to incorporate the resulting changes from CRC's request into the PRSS. Also, in addition, the delay is taken in response to public comments for additional review and comment time and the delay in the enactment of the BCP Implementation Agreement. Upon completion of the current efforts on the uprating credit committee, Western believes that further changes to the uprating credit schedules can be incorporated into the PRSS and the FY 1996 Rate Year Annual Revenue Requirement can be adjusted accordingly at that time.

Issue: A customer suggested that if sufficient revenue reductions are achieved through the efforts of the current committees to potentially warrant a rate reduction for FY 96, Western should, instead, consider carrying these revenues over into FY 1997 in order to mitigate the effect of the Hoover Visitor Facilities on that year's rates.

Response: As under the existing rate methodology, the proposed rate methodology provides that any revenue over or under the Annual Revenue Requirement is carried forward into the next year and increases or decreases that year's Annual Revenue Requirement. The revenue carried forward in any given year lowers the total Annual Revenue Requirement for the next year, and does not act as a credit for any one specific item, such as the visitor facilities. Western cannot deviate from the methodology as agreed to by all the BCP Contractors in the BCP Implementation Agreement.

Issue: A customer does not agree that the savings which may come about as a result of an increase in generation of energy or a reduction in costs should be carried over into FY 1997.

Response: Western agrees. As indicated previously, any savings in 1 year, which result in excess revenue

being collected, is automatically carried forward to the next year.

Issue: Some customers believe there is no need for a rate increase; instead, there should be a reduction for FY 1996. It is believed that Reclamation and Western can safely operate and maintain the BCP for FY 1996 using the rates currently in effect.

Response: Western agrees that a rate increase is not justified for FY 1996. Under the proposed rate methodology, Base Charge and forecasted rates will be a reduction to the existing rates. The FY 1995 Ratebase PRSS projects the FY 1996 Rate Year Base Charge to be less than the total energy and capacity revenues to be collected in FY 1995.

Issue: A customer asks the question whether it is necessary to calculate or display rates in view of the requirement introduced by the BCP Implementation Agreement that the amount collected for energy shall equal one-half of revenue requirements with adjustments to offset past imbalances irrespective of the quantities of energy produced. It believes that the calculation and promulgation of rates continues to be necessary as a consequence of provision of the regulations and contracts as well as for practical reasons.

Response: Western agrees that the calculation of rates should continue. The proposed rate methodology requires Western to calculate the Annual Revenue Requirement, Base Charge, Forecast Energy Rate, Forecast Capacity Rate, and Calculated Energy Rate. The forecasted or calculated rates would be applied to services such as unauthorized overruns, M_L and S_L, and excess energy.

Issue: Some customers support the proposal to adjust the rate upon the completion of the Uprating credit discussions.

Response: Western anticipates that the Uprating credits for FY 1996 will decrease upon completion of the Uprating credits discussions. The reductions are a result of the Uprating Program being declared complete, which releases excess bond funds and a revision to the calculation of the weighted average interest rate, used to determine the non-bonding contractors' Uprating credits. Western believes that the FY 1996 Base Charge can be adjusted upon completion of the Uprating credit discussions and receipt of the revised Uprating schedules.

Issue: Some customers request that the proposed rates be implemented as soon as possible.

Response: Western agrees that the new rate methodology needs to be implemented as soon as possible. It is Western's intention to proceed with the

rate process and have the proposed rate methodology effective November 1, 1995, on an interim basis.

Issue: Some customers support the option where the Uprating credit carryforward balances are paid over a 3-year period.

Response: Western has incorporated this request into the FY 95 Rate Base PRSS. The process to request the FY 1995 payments has been initiated. It is to be noted that the payments incorporated in the PRSS do not address the issue of interest on the Uprating carryforward balance.

Issue: One customer believes that the proposed charges and rates should provide for repayment of all overdue Uprating credits payments with accrued interest.

Response: The Uprating credit procedures have not been completed. Western believes upon completion of the procedures and receipt of revised Uprating credit schedules this issue will be resolved.

Issue: One customer has offered to provide Western with expertise and assistance in the light of Western's reorganization, changes in budgets, and turnover.

Response: Western appreciates the offer for assistance. Western recognizes there are opportunities for developing partnerships with our customers and will be looking for opportunities through the transformation process.

Issue: A customer comments that existing legal requirements, if followed strictly, would result in an over collection of revenue as a result of increased energy generation, requiring a mid-year adjustment.

Response: The BCP Implementation Agreement provides that Western bill the BCP Contractors a monthly Base Charge, collecting no more than the Total Annual Revenue Requirement. Under the new methodology, revenue actually collected is not dependent upon the amount of energy generated or the rate charged. Western is reviewing the regulations to determine whether the customer's interpretation of the regulations is valid. Upon completion of the review, Western will followup with the Bureau of Reclamation and the BCP Contractors for further discussions on this issue.

Hydrology

Issue: A customer believes the Master Schedule distributed on June 15, 1995, should be corrected since it has no operative effect until October 1, 1995, as the power contracts provide in Section 5.58 for the revision of the Master Schedule.

Response: The BCP Implementation Agreement provides that Western will use the final Master Schedule, dated June of each year, to calculate the Forecast Energy Rate and provide each contractor's Monthly Energy Ratio used in calculating its monthly energy charge. Western believes that any deviation from the June final Master Schedule would have to be agreed to by all BCP Contractors, Western, and Reclamation. The agreement would require an amendment to the BCP Implementation Agreement.

Cost Containment

Issue: Reclamation's operation and maintenance, other expenses, and replacements costs have been steadily increasing. The BCP Implementation Agreement now ensures complete recovery of these costs. What is Reclamation doing to reduce these costs and to improve its efficiency?

Response: Reclamation is committed to improving its efficiency and minimizing the costs associated with operation and maintenance, other expenses, and replacements. To achieve this goal Reclamation is working closely with the Budget Review Subcommittee of the E&OC.

Issue: There are an inordinate number of supervisors and administrative employees in relation to the number of actual workers. What is Reclamation doing to reduce these administrative and overhead costs?

Response: Since the beginning of FY 1994, Reclamation has reduced layering from as many as five layers in some areas of the organization, to no more than two layers between any employee and the Regional Director in the Regional office, and no more than three layers between any employee and the Regional Director in the Area Offices. Supervisory-to-employee positions have been reduced from one supervisor to every 8 employees to one supervisor for every 15 employees. Several positions and functions have been eliminated. The Lower Colorado Region has reduced its FTE by 307 as of July 7, 1995, which represents an overall 22-percent reduction.

Issue: One customer requests that Western and Reclamation agree to not increase the total Annual Revenue Requirements for FY 1997 and FY 1998 above FY 1996 levels and set the goal to stabilize the charges over the next 3-years.

Response: The BCP Implementation Agreement provides for a collaborative budgetary review process through the E&OC. Western and Reclamation believe that this is the appropriate forum to address budgetary review by the BCP

Contractors. When comparing the Annual Revenue Requirement for FY 1996 with FY 1997 and FY 1998, note that a \$13 million carryover balance from FY 1995 is figured in the FY 1996 estimate. If the FY 1996 Annual Revenue Requirement (without adjustment for the carryover balance) was used as the ceiling for FY 1997 and FY 1998, Western and Reclamation would have to postpone replacements that are critical to operation of the project.

Working Capital

Issue: A customer believes there is no justification to have the working capital fund and should be eliminated from the PRSS.

Response: The BCP Implementation Agreement provides for the Working Capital to be adjusted to \$3 million for the FY 1996 Rate Year. Under Section 14.7 of the BCP Implementation Agreement, the Coordinating Committee shall have the authority, pursuant to Section 11.4.3, to increase or decrease the Working Capital.

Environmental Evaluation

In compliance with the National Environmental Policy Act of 1969, 42 U.S.C. 4321 et seq.; Council on Environmental Quality Regulations (40 CFR Parts 1500-1508); and DOE NEPA Regulations (10 CFR Part 1021), Western has determined that this action is categorically excluded from the preparation of an environmental assessment or an environmental impact statement.

Executive Order 12866

DOE has determined that this is not a significant regulatory action because it does not meet the criteria of Executive Order 12866, 58 FR 51735. Western has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by OMB is required.

Availability of Information

Information regarding this rate adjustment, including PRSSs, comments, letters, memorandums, and other supporting material made or kept by Western for the purpose of developing the power rates, is available for public review in the Phoenix Area Office, Western Area Power Administration, Office of the Assistant Area Manager for Power Marketing, 615 South 43rd Avenue, Phoenix, Arizona 85009-5313; Western Area Power Administration, Division of Power Marketing, 1627 Cole Boulevard, Golden, Colorado 80401; and Western Area Power Administration, Office of

the Assistant Administrator for Washington Liaison, Room 8G-027, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585.

Submission to Federal Energy Regulatory Commission

The charges and rates herein confirmed, approved, and placed into effect on an interim basis, together with supporting documents, will be submitted to FERC for confirmation and approval on a final basis.

Order

In view of the foregoing and pursuant to the authority delegated to me by the Secretary of Energy, I confirm and approve on an interim basis, effective November 1, 1995, Rate Schedule BCP-F5 for the Boulder Canyon Project. The rate schedule shall remain in effect on an interim basis, pending Federal Energy Regulatory Commission confirmation and approval of it or a substitute rate on a final basis, through September 30, 2000.

Issued in Washington, DC, October 31, 1995.

Charles B. Curtis,
Deputy Secretary.

Boulder Canyon Project Schedule of Rates for Firm Power Service

Effective: The first day of the first full billing period beginning on or after November 1, 1995, and remaining in effect through September 30, 2000, or until superseded.

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

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

Character and Condition of Service: Alternating current at 60 hertz, three-phase, delivered and metered at the voltages and points established by contract.

Base Charge: 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 megawatthours. 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 kilowatts, 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 megawatthours, then the Calculated Energy Rate shall be applied the 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 overruns 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.

[FR Doc. 95-28534 Filed 11-21-95; 8:45 am]

BILLING CODE 6450-01-P

Notice of an Extension

AGENCY: Western Area Power Administration, DOE.

SUMMARY: The Western Area Power Administration (Western) is announcing an extension of the consultation and comment period for the proposed rate adjustment for the Pacific Northwest-Pacific Southwest Intertie Project (AC Intertie). The date for the consultation and comment period was originally announced in the Federal Register on July 31, 1995, at 60 FR 38995-38996.

This action is taken in response to public comments requesting additional time to review and comment on requested changes to the Power Repayment Studies.

PROCEDURES: Concurrently with publication of this notice, a letter announcing the comment period extension will be distributed to the AC Intertie customers and other interested parties.

Customers and interested parties are invited to comment on the proposed rates and the methodology used to develop the rates. Comments already submitted will be given full consideration in this extended comment period and do not need to be resubmitted.

Following the close of the consultation and comment period, Western will prepare additional PRSs which will include any changes due to consideration of public comments. Western will recommend the results of those studies as the final proposed rates to the Deputy Secretary to be placed in effect on an interim basis prior to submission to the Federal Energy Regulatory Commission (FERC) for approval on a final basis.

EFFECTIVE DATE: The consultation and comment period will be extended through close of business November 27, 1995. Written comments should be received by the end of the consultation and comment period to be assured consideration. Comments may be sent to: Mr. Tyler Carlson, Regional Manager, Desert Southwest Customer Service Region, Western Area Power Administration, PO Box 6457, Phoenix, AZ 85005-6457, (602) 352-2523.

SUPPLEMENTARY INFORMATION: Transmission rates for the AC Intertie are established pursuant to the Department of Energy Organization Act (42 U.S.C. 7152(a)) through which the power marketing functions of the Secretary of the Interior and the Bureau of Reclamation under the Reclamation Act of 1902 (43 U.S.C. 371 *et seq.*) as amended and supplemented by subsequent enactments, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)), and other acts specifically applicable to the project system involved were transferred to and vested in the Secretary of Energy.

By Amendment No. 3 to Delegation Order No. 0204-108, published November 10, 1993 (58 FR 59716), the Secretary of Energy delegated: (1) The authority to develop long-term power and transmission rates on a nonexclusive basis to the Administrator of Western; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC. Existing DOE procedures for public participation in power rate adjustments (10 CFR Part 903) became effective on September 18, 1985 (50 FR 37835).

AVAILABILITY OF INFORMATION: All brochures, studies, comments, letters, memorandums, and other documents made or kept by Western for the purpose of developing the proposed rates for transmission service are and will be available for inspection and copying at the Desert Southwest Customer Service Regional Office, located at 615 South 43rd Avenue, Phoenix, Arizona 85005.

Issued at Golden, Colorado, November 9, 1995.

J.M. Shafer,

Administrator.

[FR Doc. 95-28551 Filed 11-21-95; 8:45 am]

BILLING CODE 6450-01-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL-5334-4]

Risk Assessment and Risk Management Commission; Revision of Earlier Notice of Public Meetings—1995; Cancellation of December 14 Meeting

Pursuant to the Federal Advisory Committee Act, Pub. L. 92-463, notice is hereby given that the Risk Assessment and Risk Management Commission, established as an Advisory Committee under section 303 of the Clean Air Act Amendments of 1990, will not meet on December 14 at the Breakers Hotel in Florida. Unexpected budget problems prevent the Commission from meeting during the month of December.

This amends an earlier notice in the Federal Register.

Dated: November 9, 1995.

Gail Charnley,

Executive Director, Commission on Risk Assessment and Risk Management.

[FR Doc. 95-28490 Filed 11-21-95; 8:45 am]

BILLING CODE 6560-50-M

[FRL-5334-5]

Gray PCB Site: Proposed Settlement

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Proposed Settlement.

SUMMARY: Under section 122(g) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended 42 U.S.C. 9601 *et seq.*, the Environmental Protection Agency (EPA) has agreed to settle claims for response costs at the Gray PCB Site, Hopkinsville, Christian County, Kentucky, with the city of Providence, Kentucky. EPA will