

Regulations (18 CFR 385.211 and § 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: <http://www.ferc.gov/docs-filing/efiling/filing-req.pdf>. For other information, call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Dated: July 22, 2016.

**Nathaniel J. Davis, Sr.,**

*Deputy Secretary.*

[FR Doc. 2016-17877 Filed 7-27-16; 8:45 am]

BILLING CODE 6717-01-P

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. AD16-2-000]

#### Billing Procedures for Annual Charges for the Costs of Other Federal Agencies for Administering Part I of the Federal Power Act; Notice Reporting Costs for Other Federal Agencies' Administrative Annual Charges for Fiscal Year 2015

1. The Federal Energy Regulatory Commission (Commission) is required to determine the reasonableness of costs incurred by other Federal agencies (OFAs)<sup>1</sup> in connection with their participation in the Commission's proceedings under the Federal Power Act (FPA) Part I<sup>2</sup> when those agencies seek to include such costs in the administrative charges licensees must pay to reimburse the United States for the cost of administering Part I.<sup>3</sup> The Commission's *Order on Remand and Acting on Appeals of Annual Charge Bills*<sup>4</sup> determined which costs are eligible to be included in the administrative annual charges and it established a process for Commission review of future OFA cost submittals. This order established a process whereby the Commission would annually request each OFA to submit

cost data, using a form<sup>5</sup> specifically designed for this purpose. In addition, the order established requirements for detailed cost accounting reports and other documented analyses, which explain the cost assumptions contained in the OFAs' submissions.

2. The Commission has completed its review of the forms and supporting documentation submitted by the U.S. Department of the Interior (Interior), the U.S. Department of Agriculture (Agriculture), and the U.S. Department of Commerce (Commerce) for fiscal year 2015. This notice reports the costs the Commission included in its administrative annual charges for fiscal year 2016.

#### Scope of Eligible Costs

3. The basis for eligible costs that should be included in the OFAs' administrative annual charges is prescribed by the Office of Management and Budget's (OMB) Circular A-25—*User Charges* and the Federal Accounting Standards Advisory Board's Statement of Federal Financial Accounting Standards (SFFAS) Number 4—*Managerial Cost Accounting Concepts and Standards for the Federal Government*. Circular A-25 establishes Federal policy regarding fees assessed for government services and provides specific information on the scope and type of activities subject to user charges. SFFAS Number 4 provides a conceptual framework for federal agencies to determine the full costs of government goods and services.

4. Circular A-25 provides for user charges to be assessed against recipients of special benefits derived from federal activities beyond those received by the general public.<sup>6</sup> With regard to licensees, the special benefit derived from federal activities is the license to operate a hydropower project. The guidance provides for the assessment of sufficient user charges to recover the full costs of services associated with these special benefits.<sup>7</sup> SFFAS Number 4 defines full costs as the costs of resources consumed by a specific governmental unit that contribute directly or indirectly to a provided service.<sup>8</sup> Thus, pursuant to OMB requirements and authoritative

accounting guidance, the Commission must base its OFA administrative annual charge on all direct and indirect costs incurred by agencies in administering Part I of the FPA. The special form the Commission designed for this purpose, the "Other Federal Agency Cost Submission Form," captures the full range of costs recoverable under the FPA and the referenced accounting guidance.<sup>9</sup>

#### Commission Review of OFA Cost Submittals

5. The Commission received cost forms and other supporting documentation from the Departments of the Interior, Agriculture, and Commerce (OFAs). The Commission completed a review of each OFA's cost submission forms and supporting reports. In its examination of the OFAs' cost data, the Commission considered each agency's ability to demonstrate a system or process which effectively captured, isolated, and reported Part I costs as required by the "Other Federal Agency Cost Submission Form."

6. The Commission held a Technical Conference on April 7, 2016 to report its initial findings to licensees and OFAs. Representatives for several licensees and most of the OFAs attended the conference. Following the technical conference, a transcript was posted, and licensees had the opportunity to submit comments<sup>10</sup> to the Commission regarding its initial review.

7. Written comments were filed by Idaho Falls Group (Idaho Falls). Idaho Falls generally supported the Commission's analysis but raised questions regarding certain various individual cost submissions. The Commission will address the issues raised in the Appendix to this notice.

8. After additional reviews, full consideration of the comments presented, and in accordance with the previously cited guidance, the Commission accepted as reasonable any costs reported via the cost submission forms that were clearly documented in the OFAs' accompanying reports and/or analyses. These documented costs will be included in the administrative annual charges for fiscal year 2016.

<sup>1</sup> The OFAs include: The U.S. Department of the Interior (Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, National Park Service, U.S. Fish and Wildlife Service, Office of the Solicitor, Office of Environmental Policy & Compliance, Office of Hearings and Appeals and Office of Policy Analysis); the U.S. Department of Agriculture (U.S. Forest Service); the U.S. Department of Commerce (National Marine

Fisheries Service); and the U.S. Army Corps of Engineers.

<sup>2</sup> 16 U.S.C. 794-823d (2012).

<sup>3</sup> See *id.* 803(e)(1) and 42 U.S.C. 7178.

<sup>4</sup> 107 FERC ¶ 61,277, *order on reh'g*, 109 FERC ¶ 61,040 (2004).

<sup>5</sup> Other Federal Agency Cost Submission Form, available at <https://www.ferc.gov/docs-filing/forms.asp#ofa>.

<sup>6</sup> OMB Circular A-25 § 6.

<sup>7</sup> OMB Circular A-25 § 6.a.2.

<sup>8</sup> SFFAS Number 4 ¶ 7.

<sup>9</sup> To avoid the possibility of confusion that has occurred in prior years as to whether costs were being entered twice as "Other Direct Costs" and "Overhead," the form excluded "Other Direct Costs."

<sup>10</sup> See Letter from Charles R. Sensiba, Van Ness Feldman, to the Honorable Kimberly D. Bose, FERC, Docket No. AD16-2-000 (filed May 13, 2016).

SUMMARY OF REPORTED & ACCEPTED COSTS FOR FISCAL YEAR 2015  
[Figure 1]

	Municipal		Non-municipal		Total	
	Reported	Accepted	Reported	Accepted	Reported	Accepted
<b>Department of Interior</b>						
Bureau of Indian Affairs .....	273,348	214,243	385,922	334,374	659,270	548,617
Bureau of Land Management .....	162,847	159,428	5,007	3,089	167,854	162,517
Bureau of Reclamation .....	.....	.....	20,680	20,680	20,680	20,680
National Park Service .....	301,785	301,785	480,652	480,651	782,437	782,437
U.S. Fish and Wildlife Service .....	754,732	753,664	938,031	933,919	1,692,763	1,687,582
U.S. Geological Survey .....	.....	.....	.....	.....	.....	.....
Office of the Solicitor .....	5,684	5,684	110,699	110,699	116,383	116,383
Office of the Environmental Policy & Compliance .....	47,054	47,054	106,266	106,266	153,320	153,320
Office of Hearings and Appeals .....	763	.....	2,997	.....	3,760	.....
Office of Policy Analysis .....	.....	.....	.....	.....	.....	.....
<b>Department of Agriculture</b>						
U.S. Forest Service .....	653,758	611,610	1,443,838	1,351,324	2,097,586	1,962,933
<b>Department of Commerce</b>						
National Marine Fisheries Service .....	1,142,203	948,320	789,673	449,589	1,931,876	1,397,909
<b>Total</b> .....	<b>3,342,174</b>	<b>3,041,788</b>	<b>4,283,755</b>	<b>3,790,592</b>	<b>7,625,929</b>	<b>6,832,378</b>

9. Figure 1 summarizes the total reported costs incurred by Interior, Agriculture, and Commerce with respect to each OFA's participation in administering Part I of the FPA. Additionally, Figure 1 summarizes the reported costs that the Commission determined were clearly documented and accepted for inclusion in its FY 2016 administrative annual charges.

**Summary Findings of Commission's Costs Review**

10. As presented in the preceding table, the Commission determined that \$6,832,378 of the \$7,625,929 in total reported costs were determined to be reasonable and clearly documented in the OFAs' accompanying reports and/or analyses. Based on these findings, 10% of the total reported cost was determined to be unreasonable. The Commission noted the most significant issues with regard to the insufficiency of documentation provided by the OFAs was the lack of supporting documentation to substantiate costs reported on the "Other Federal Agency Cost Submission Form" as well as the failure to segregate Municipal and Non-Municipal costs.

11. The cost reports that the Commission determined were clearly documented and supported could be traced to detailed cost-accounting reports, which reconciled to data provided from agency financial systems or other pertinent source documentation. A further breakdown of

these costs is included in the Appendix to this notice, along with an explanation of how the Commission determined their reasonableness.

**Points of Contact**

12. If you have any questions regarding this notice, please contact Norman Richardson at (202) 502-6219 or Raven Rodriquez at (202) 502-6276.

Dated: July 21, 2016.  
**Kimberly D. Bose,**  
*Secretary.*  
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**BILLING CODE 6717-01-P**

**DEPARTMENT OF ENERGY**

**Federal Energy Regulatory Commission**

[Project No. 2426-049]

**California Department of Water Resources; Notice of Application Accepted for Filing and Soliciting Comments, Motions To Intervene, and Protests**

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

- a. *Application Type:* Recreation Plan.
- b. *Project No:* 2426-049.
- c. *Date Filed:* May 20, 2016.
- d. *Applicant:* California Department of Water Resources.

e. *Name of Project:* South SWP Hydroelectric Project.

f. *Location:* The project is located on the California Aqueduct in San Bernardino, Los Angeles, San Luis Obispo, Ventura, and Kern counties, California and occupies, in part, federal lands administered by the United States Forest Service.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791a-825r.

h. *Applicant Contact:* Bonnie Duecker, California Department of Water Resources, 34534 116th Street East, Pearlblossom, CA 93553, (661) 944-8557, [Bonnie.Duecker@water.ca.gov](mailto:Bonnie.Duecker@water.ca.gov).

i. *FERC Contact:* Dr. Mark Ivy, (202) 502-6156, [mark.ivy@ferc.gov](mailto:mark.ivy@ferc.gov).

j. *Deadline for filing comments, motions to intervene, and protests:* August 22, 2016.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, and protests using the Commission's eFiling system at <http://www.ferc.gov/docs-filing/efiling.asp>. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at <http://www.ferc.gov/docs-filing/ecomment.asp>. You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), (866) 208-3676 (toll free), or (202) 502-8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal