

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

[Docket No. AD25–3–000]

**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 2024**

1. The Federal Energy Regulatory Commission (Commission) is required to determine the reasonableness of costs incurred by other Federal agencies (OFAs)¹ in connection with their participation in the Commission's proceedings under the Federal Power Act (FPA) Part I² 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.³ The Commission's *Order on Remand and Acting on Appeals of Annual Charge Bills*⁴ determined which costs are eligible to be included in the administrative annual charges. This order also established a process whereby the Commission would annually request each OFA to submit cost data, using a form⁵ specifically designed for this purpose. In addition, the order established requirements for detailed cost accounting reports and other documented analyses to 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 (FY) 2024. This notice reports the costs the Commission included in its

administrative annual charges for FY 2025.

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.⁶ 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.⁷ 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.⁸ 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.⁹

5. Our guidance directs the OFAs to ensure that the costs are for FPA Part I activities and that the documented costs are segregated between activities

covering municipal projects from those for non-municipal projects. This year, we also asked the OFAs to provide additional narrative descriptions of the type of work performed in administering FPA Part I (including a list of the projects for which work was performed during the covered period) and a detailed description of what managerial/administrative or other activities are included in the non-specific category.

Commission Review of OFA Cost Submittals

6. The Commission received cost forms and other supporting documentation from the Departments of the Interior, Agriculture, and Commerce. 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 FPA Part I costs as required by the "Other Federal Agency Cost Submission Form."

7. The Commission held a Technical Conference on March 20, 2025 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 to the Commission regarding its initial review.

8. Idaho Falls Group (Idaho Falls) filed written comments noting that it appreciated that most of the OFAs provided extensive lists of projects, but that it would prefer that the OFAs provide narrative descriptions of the work done for each project rather than broad descriptions of the types of work performed among the projects listed. Idaho Falls also stated that it agreed with the disallowances announced at the technical conference.

9. After 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 FY 2025.

**Summary of Reported & Accepted Costs
for Fiscal Year 2024**

¹ The OFAs include: the U.S. Department of the Interior (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); 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.

² 16 U.S.C. 791a–823d (2018).

³ See *id.* 803(e)(1) and 42 U.S.C. 7178 (2018).

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

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

⁶ OMB Circular A–25 6.

⁷ OMB Circular A–25 6.a.2.

⁸ SFFAS Number 4 ¶ 7.

⁹ For the past few years, the form has excluded "Other Direct Costs" to avoid the possibility of confusion that occurred in earlier years as to whether costs were being entered twice as "Other Direct Costs" and "Overhead."

FIGURE 1

	Municipal		Non-municipal		Total	
	Reported	Accepted	Reported	Accepted	Reported	Accepted
Department of Interior						
Bureau of Indian Affairs			447,691		447,691	
Bureau of Land Management			75,721		75,721	
Bureau of Reclamation						
National Park Service	265,478	265,478	607,179	607,179	872,657	872,657
U.S. Fish and Wildlife Service	92,718	92,718	1,102,507	1,102,507	1,195,225	1,195,225
Office of the Solicitor	185,143	185,143	180,832	180,832	365,975	365,975
Office of Environmental Policy & Compliance	14,199	14,199	97,244	97,244	111,443	111,443
Department of Agriculture						
U.S. Forest Service	398,410	390,487	1,361,179	1,334,103	1,759,589	1,724,589
Department of Commerce						
National Marine Fisheries Service	1,150,972	1,148,336	1,074,833	1,075,604	2,225,805	2,223,939
Total	2,106,920	2,096,361	4,947,187	4,397,469	7,054,106	6,493,828

10. Figure 1 summarizes the total reported costs incurred by Interior, Agriculture, and Commerce with respect to their 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 2025 administrative annual charges.

Summary Findings of Commission's Costs Review

11. As presented in Figure 1, the Commission has determined that \$6,493,828 of the \$7,054,106 in total reported costs were reasonable and clearly documented in the OFAs' accompanying reports and/or analyses. Based on this finding, 8% of the total reported cost was determined to be unreasonable. The Commission notes the most significant issue with the documentation provided by the OFAs was the lack of detailed description of type of work performed and a list of projects for work performed during the fiscal year.

12. 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

13. If you have any questions regarding this notice, please contact Raven Rodriguez at (202) 502-6276.

Dated: July 16, 2025.

Debbie-Anne A. Reese,

Secretary.

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CD25-10-000]

Rancho California Water District; Notice of Preliminary Determination of a Qualifying Conduit Hydropower Facility and Soliciting Comments and Motions To Intervene

On July 8, 2025, Rancho California Water District filed a notice of intent to

construct a qualifying conduit hydropower facility, pursuant to section 30 of the Federal Power Act (FPA). The proposed Upper Valle De Los Caballos In-Line Turbine Generator Hydroelectric (UVDC) Project would have an installed capacity of 348 kilowatts (kW) and would be located near Temecula, Riverside County, California.

Applicant Contact: Michael Guirguis, LEE & RO, Inc., 1199 Fullerton Road, City of Industry, CA 91748, 626-912-3391, Michael.Guirguis@lee-ro.com.

FERC Contact: Christopher Chaney, 202-502-6778, christopher.chaney@ferc.gov.

Qualifying Conduit Hydropower Facility Description: The project would consist of: (1) one turbine generating unit with a capacity of 348 kW and (2) appurtenant facilities.

A qualifying conduit hydropower facility is one that is determined or deemed to meet all the criteria shown in the table below.

TABLE 1—CRITERIA FOR QUALIFYING CONDUIT HYDROPOWER FACILITY

Statutory provision	Description	Satisfies (Y/N)
FPA 30(a)(3)(A)	The conduit the facility uses is a tunnel, canal, pipeline, aqueduct, flume, ditch, or similar manmade water conveyance that is operated for the distribution of water for agricultural, municipal, or industrial consumption and not primarily for the generation of electricity.	Y
FPA 30(a)(3)(C)(i)	The facility is constructed, operated, or maintained for the generation of electric power and uses for such generation only the hydroelectric potential of a non-federally owned conduit.	Y
FPA 30(a)(3)(C)(ii)	The facility has an installed capacity that does not exceed 40 megawatts	Y