

WELCOME
TO THE

*SOUTHEASTERN
FEDERAL POWER
ALLIANCE MEETING*

JUNE 12, 2025



The logo for the American Public Power Association is centered on a dark blue background. It features the word "AMERICAN" in red, "PUBLIC" in red, and "POWER" in blue. The word "ASSOCIATION" is in blue below "POWER". The letters "PUBLIC" and "POWER" are large and bold, with a stylized graphic of three diagonal lines crossing them. The word "ASSOCIATION" is smaller and positioned directly below "POWER".

**AMERICAN
PUBLIC
POWER
ASSOCIATION**

Sam Owen
Government Relations Director



Southeastern Federal Power Alliance

Washington Update

Administration

Congressional

Federal Hydropower Council

Current Status

Barbara Smith, SEPA
Scott Romero, USACE

June 12, 2025

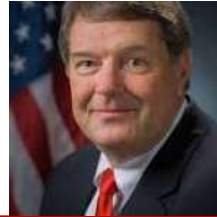
Army & USACE Civil Works Leadership & Personnel with Federal Hydropower Responsibilities



Department
of the Army



Adam Telle
ASACW (Nominee)



D. Lee Forsgren
PDASA



Stacey Brown, SES
DASA, Management and
Budget



Robin Colosimo, SES
DASA, Project Planning and Review



Headquarters,
US Army Corps
of Engineers



LTG "Butch" Graham
Chief of Engineers



MG Jason Kelley
Deputy Commanding General
for Civil Work and Emergency
Operations



Edward Belk, SES
Director of Civil Works



Stephen Hill, SES
Chief, Operations and Regulatory

Other USACE Headquarters Leadership

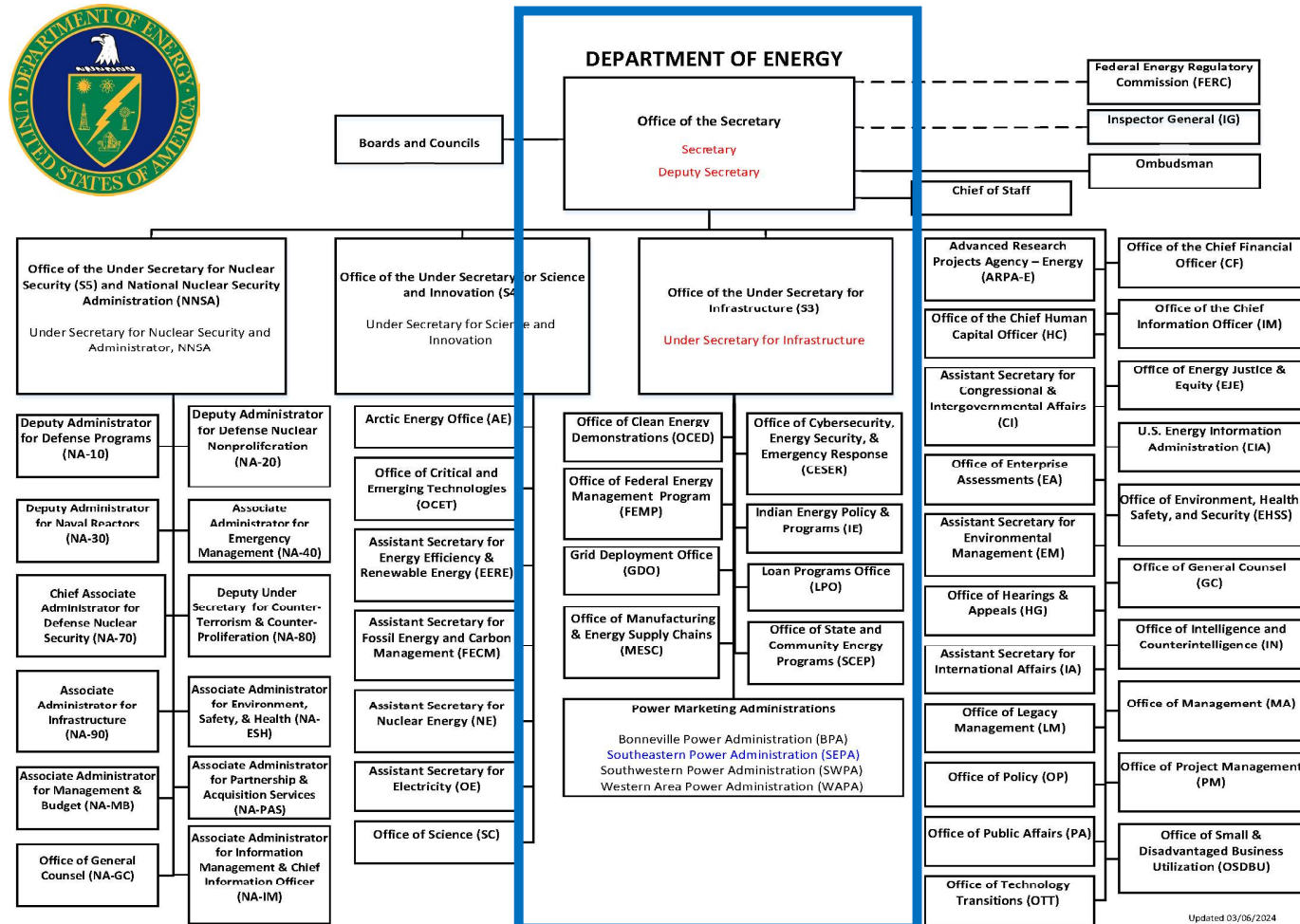
Counsel: **David Cooper**
Resource Management: **Mike Walsh** (acting)
Engineering & Const.: **Tom Smith**
Dam and Levee Safety: **Travis Tutka**
Contracting: **Denver Heath**

Hydropower Business Line:

Scott Romero
Scott Romero
Vacant
David Sanna

Acting Hydropower Business Line Manager
Senior Hydropower Program Manager
Hydropower Program Manager
Digital Transformation Lead

Department of Energy Leadership and Personnel with Federal Hydropower Responsibilities



Chris Wright, Secretary



James Danley, Deputy Secretary

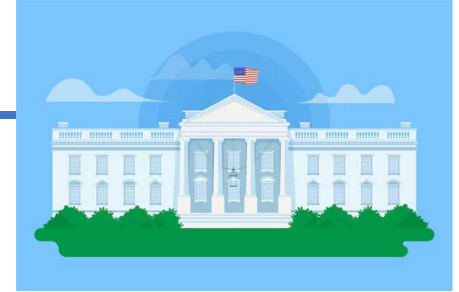


Wells Griffith (Nominee), Under Secretary for Infrastructure



Virgil Hobbs, Administrator of SEPA

Administration Update



- **FY 2026 President's Budget Request**

- Reflect funding and policy proposals of the administration.
- Skinny budget released early May 2025; Hearings have begun.
- During the first Trump Administration, the budget proposed selling off PMA transmission assets and moving to market-based rates.

- **Executive Orders & Memos**

- As on June 5 -157 executive orders, 40 memoranda, and 65 proclamations. Of note:
 - Energy/Hydropower:
 - EO 1454: Unleashing American Energy (calls out hydropower)
 - EO 14156: Declaring National Energy Emergency (calls out “the kinetic movement of flowing water”)
 - EO 14213: Energy Dominance Council
 - EO 14262: Strengthening Reliability and Security of the Grid
 - Hydropower Specific EO?
 - Government Operations:
 - DOE Program Review: Regulatory actions, procurement, finance, funding, FRNS, NEPA.
 - Reducing Regulation: 10:1 initiative; sunset causes for covered regulations.
 - Streamlining Procurement/Contracts: Including payment modernization
 - Travel Restrictions: Mission essential only.
 - Federal Workforce: Hiring Freeze extended through July 15; 4:1 Hiring (not yet in place); New hiring guidance/processes.

Congressional & Legislative Activity



- **119th Congress began January 3, 2025**
 - Tight margins in both chambers (220-213; 53-47)
 - New members, committee and leadership changes.
- **Reconciliation: “One Big Beautiful Bill”.**
 - Tax cut extensions, repealing some tax credits, debt ceiling.
 - Current Commerce committee’s spectrum auction language.
 - House passed in May. Senate to pass by July 4th. funding from IIJA/IRA funds, permitting, supply chain, grid resource adequacy/reliability.
- **Government Funding:**
 - Agency Appropriation hearings.
 - No House PMA oversight hearing expected this year.
 - Expect a short-term CR for FY 2026 budget.
- **Other Energy Priorities:**
 - Hydropower Bills: H.R. 2160; S. 1183
 - Grid/Resource Adequacy/Al/Permitting
 - WRDA 2026

Federal Hydropower Council (FHC)

- Started in 2016
 - Acquisition and Delivery Processes
 - Joint Cost Allocation and Charging
 - Water Storage Reallocation and Crediting
 - O&M Cost Reduction and Federal Hydropower Communications
- Early successes but progress on several key issues has stalled over the last 3-4 years
- PMA Administrators letter to ASACW on May 23, 2023 (no response to date)
- Most recent meeting occurred November 2023
 - Deputy Secretary at the time provided opening remarks.
- Joint Cost working group F2F meeting March 2024
- Economic Evaluation Team (2024-2025)
 - Hydropower Analysis Center (part of HDC) effort to update the policy for the valuation of hydropower used in Corps studies and analyses, including Water Storage Reallocations.
- Potential FHC meeting late 2025 or early 2026
 - Workforce and supply chain could be new focuses for consideration.



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— BUREAU OF —
RECLAMATION



MEAG POWER UPDATE

Roger Brand – Director, Bulk Power

June 2025

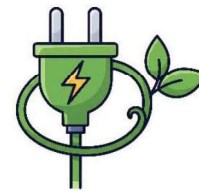
ABOUT MEAG POWER



Celebrating its 50th anniversary this year, the Municipal Electric Authority of Georgia is a nonprofit generation and transmission organization that provides reliable, competitively-priced wholesale electricity to 49 member communities (Participants), who own and operate their local electric distribution. systems.



2,400+ MW
Total Generation



65% Non-Emitting
Avg. Delivered
Energy Since 2016



Ownership in
17,800-Mile
Transmission
Network



PARTICIPANTS STATEWIDE



49 Participants

48 Municipalities

1 County

319,000 customer accounts

Population

Territory: 634,000

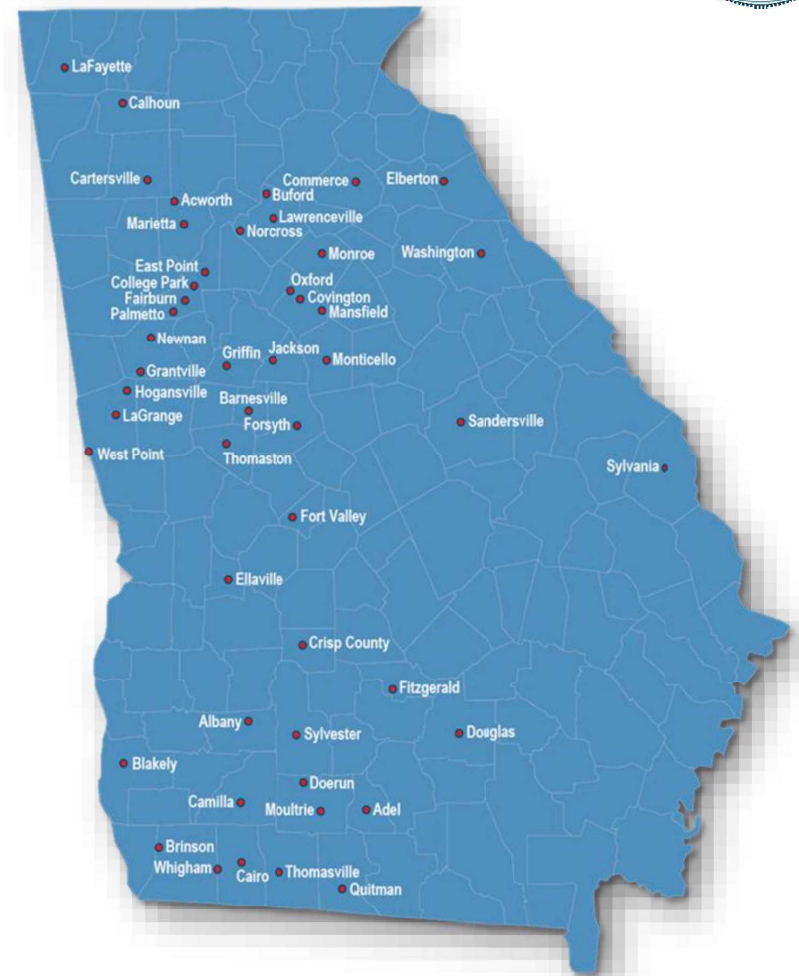
Diversity: 208 to 74,000

Area

2 sq. mi. to 280 sq. mi.

Designated Territories

1973 Territorial Act



MEAG POWER OVERVIEW - ASSETS



- Own/operate generation and transmission
- 2,448 MW generation capacity
- Jointly plan state-wide transmission system
 - Own 1,323 miles of transmission lines and 214 substations



MEAG POWER DIVERSIFIED GENERATION



Nuclear

Vogtle 1-4
22.7%

Hatch 1-2
17.7%



Gas

Wansley CC
100%



Coal

Scherer 1-2
30.2%



Solar

Pineview PPA
COD in early 2026



Hydro

Schedules &
delivers
SEPA
hydropower



MEAG POWER NUCLEAR GENERATION



Plant Vogtle
22.7% Ownership
1,022 MW



Plant Hatch
17.7% Ownership
286 MW

Total Nuclear
Ownership
1,308 MW

OR

1.4% of total U.S.
nuclear net
generation capacity



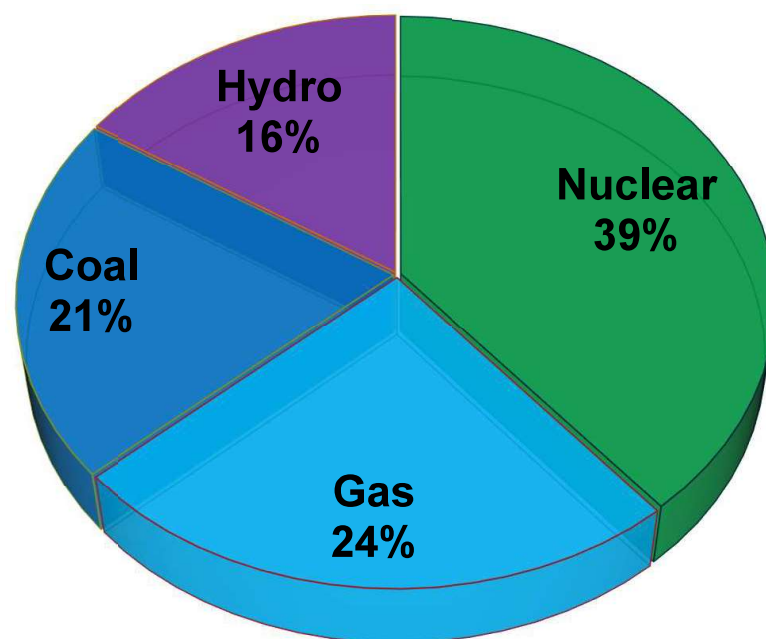
SEPA – HYDRO POWER



- Southeastern Power Authority
- Hydro Electric Generation
- Operated by Army Corps of Engineers
- Contracts with Participants
- 398 MW of Capacity
- Scheduled by MEAG Bulk Power Operations



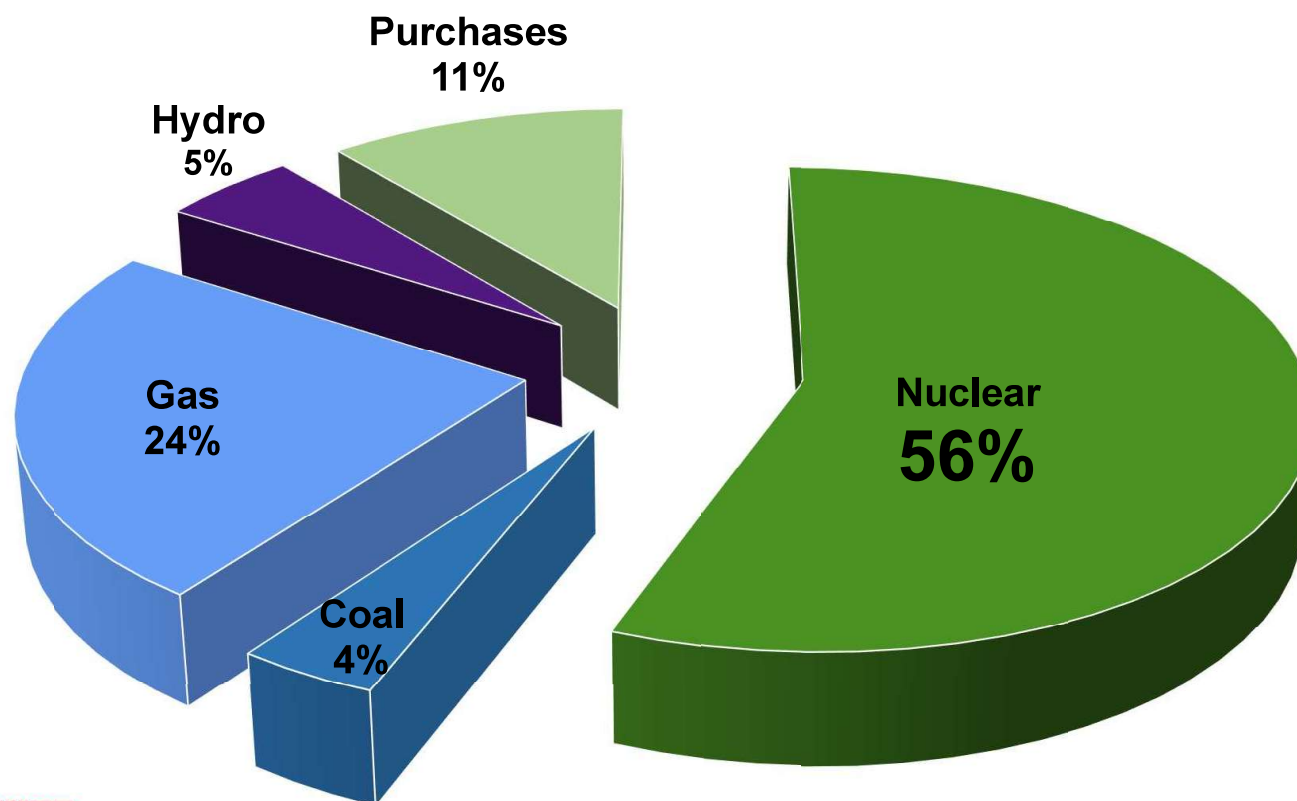
CAPACITY MIX – TOTAL SYSTEM 2024



ENERGY MIX – TOTAL SYSTEM 2024



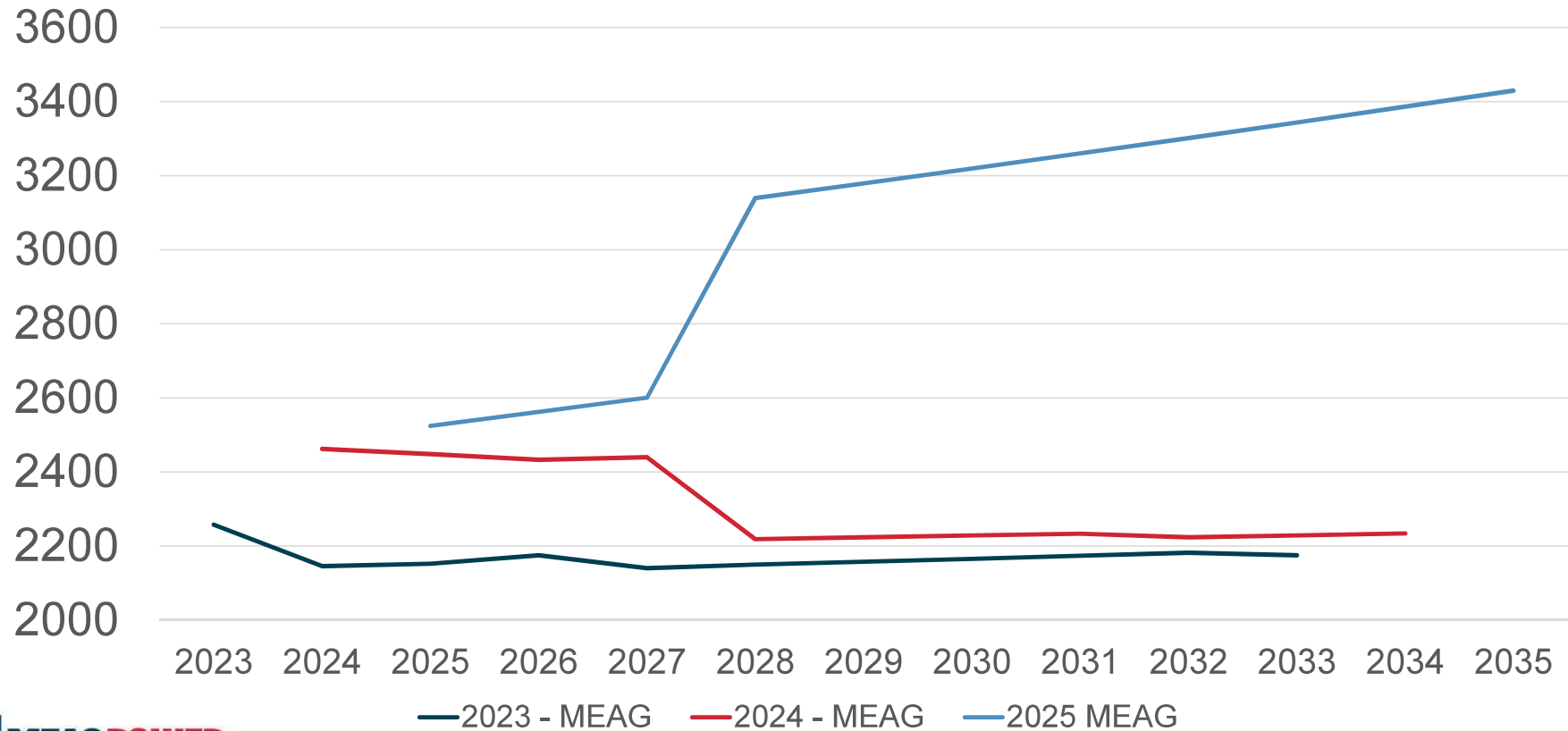
Diversified Fuel Portfolio



MEAG POWER LOAD FORECAST 2025



MEAG Power Load (MW)



PSSA OVERVIEW



- MEAG Schedules for Participants in aggregate
- Pseudo SEPA schedules with GPC
- No direct scheduling with SEPA



BENEFITS OF SEPA



- Capacity – Significant % of System
- Energy – Avoid higher cost peak options
- Operating Reserves/Load following
- Scheduling Flexibility
- Shock absorber for unexpected load and generation forecast error
- Future benefit to back up solar resources
- Main peaking resource
- Less exposure to high market prices
- Self reserving



SEPA CHALLENGES



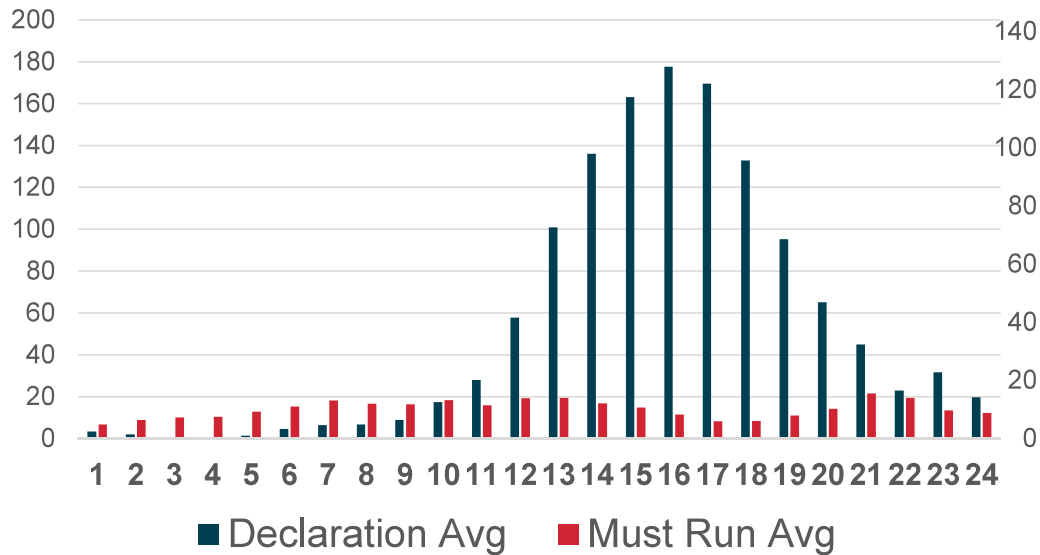
- Must run schedules – Not optimized for best value
- Must run timing – Next day schedules presented after day ahead trading.
- Replacement / Pumping Power – Market solicitation after normal day ahead trading.



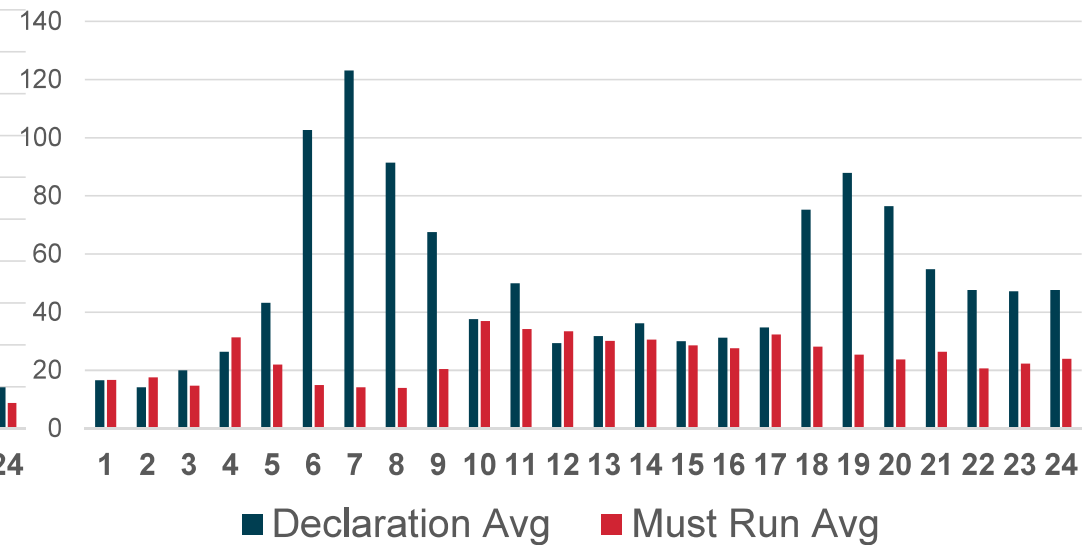
SEPA USE BY HOUR



MEAG Summer 2024 Avg Energy by Hour



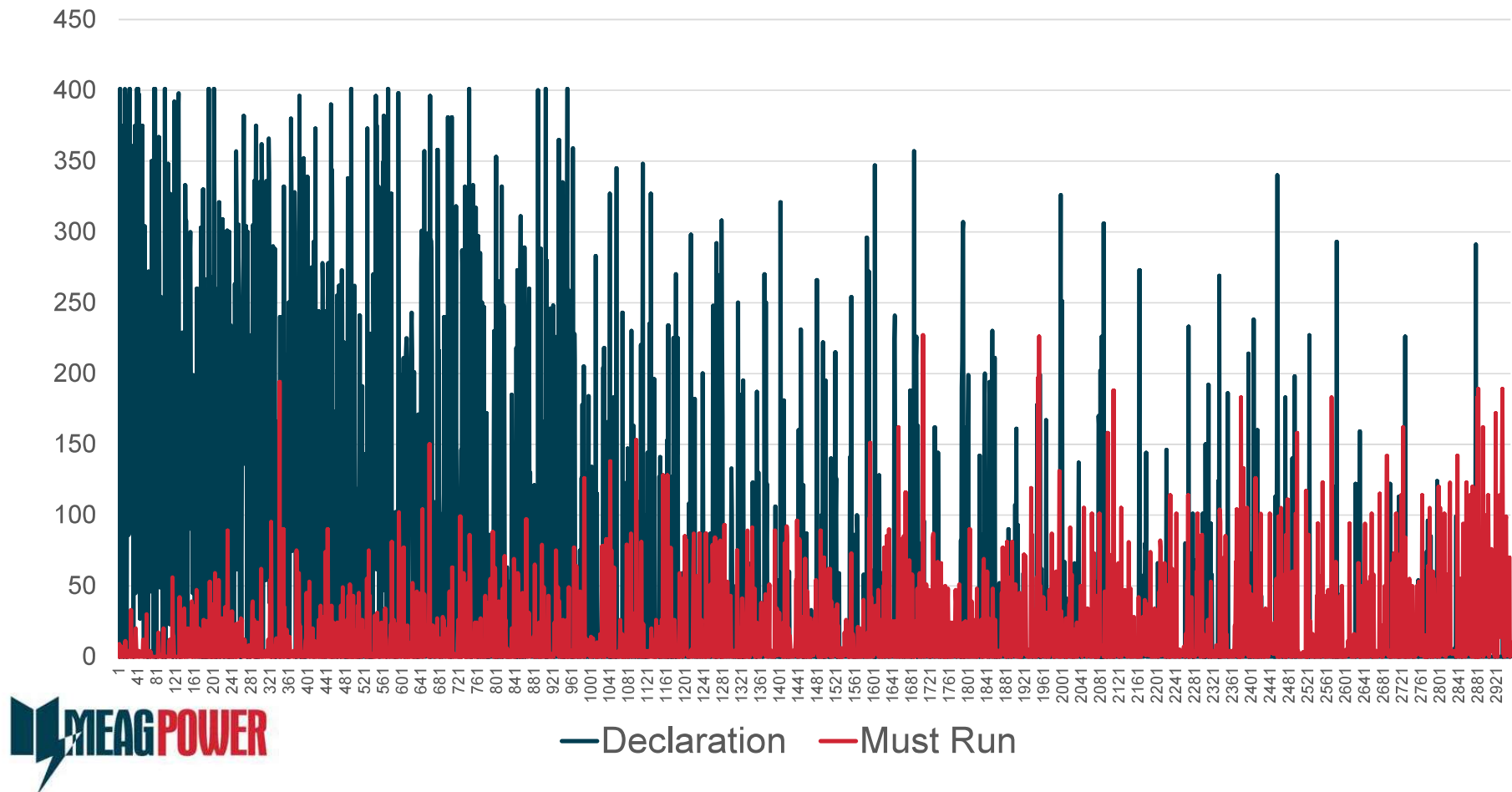
MEAG Winter 2025 Avg Energy by Hour



SEPA DISPATCH VS MARKET VALUE



Summer 2024 MEAG SEPA Schedules by Market Price Ranking



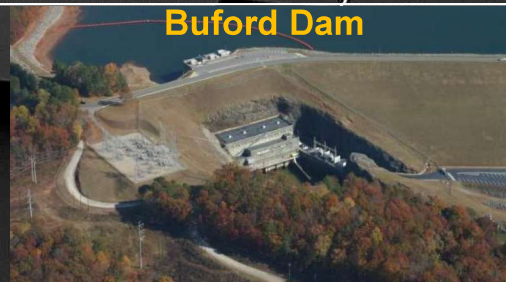
**15-minute
break**



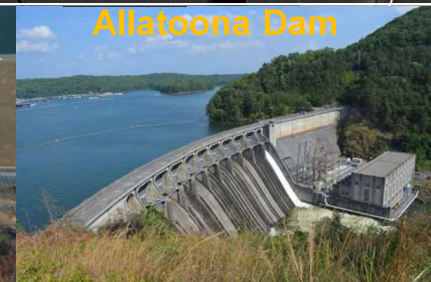


SOUTHEASTERN FEDERAL POWER ALLIANCE SAD WATER MANAGEMENT

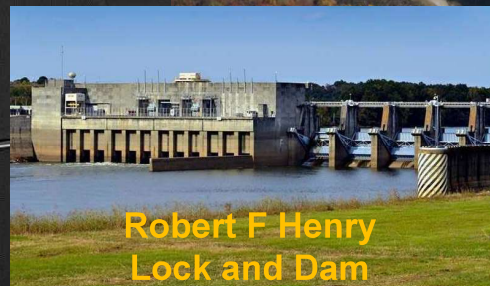
Trent Ferguson, P.E.
Water Management
South Atlantic Division
12 June 2025



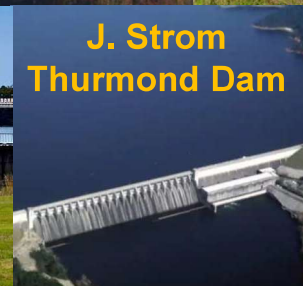
Buford Dam



Allatoona Dam



Robert F Henry
Lock and Dam



J. Strom
Thurmond Dam



John H Kerr Dam



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Agenda

- Rainfall Departure Last 90 Days
- U.S. Drought Monitor
- WPC Three Month Outlook
- Current and Forecasted Reservoir Conditions
 - Mobile District
 - Savannah District
 - Wilmington District
- Questions



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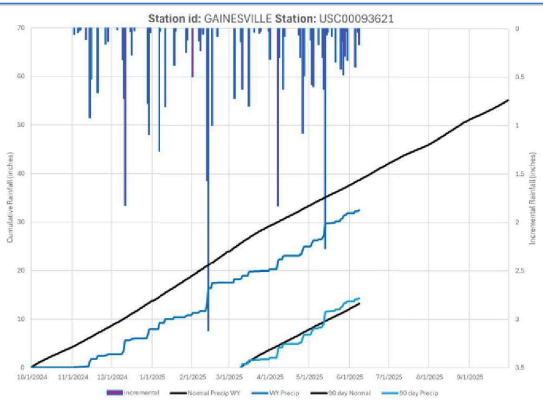
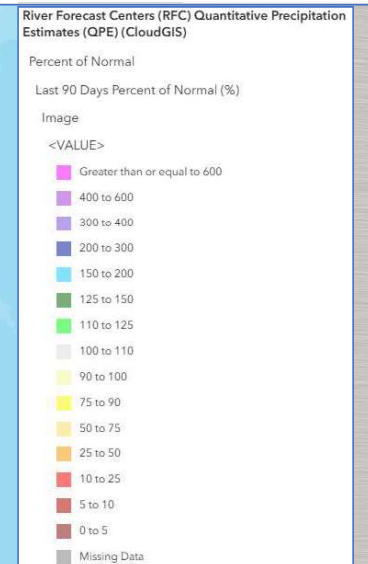
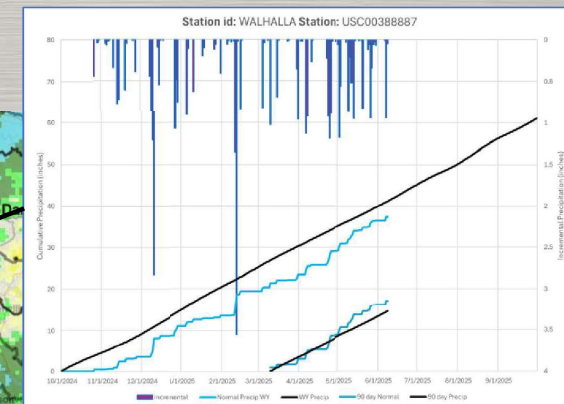
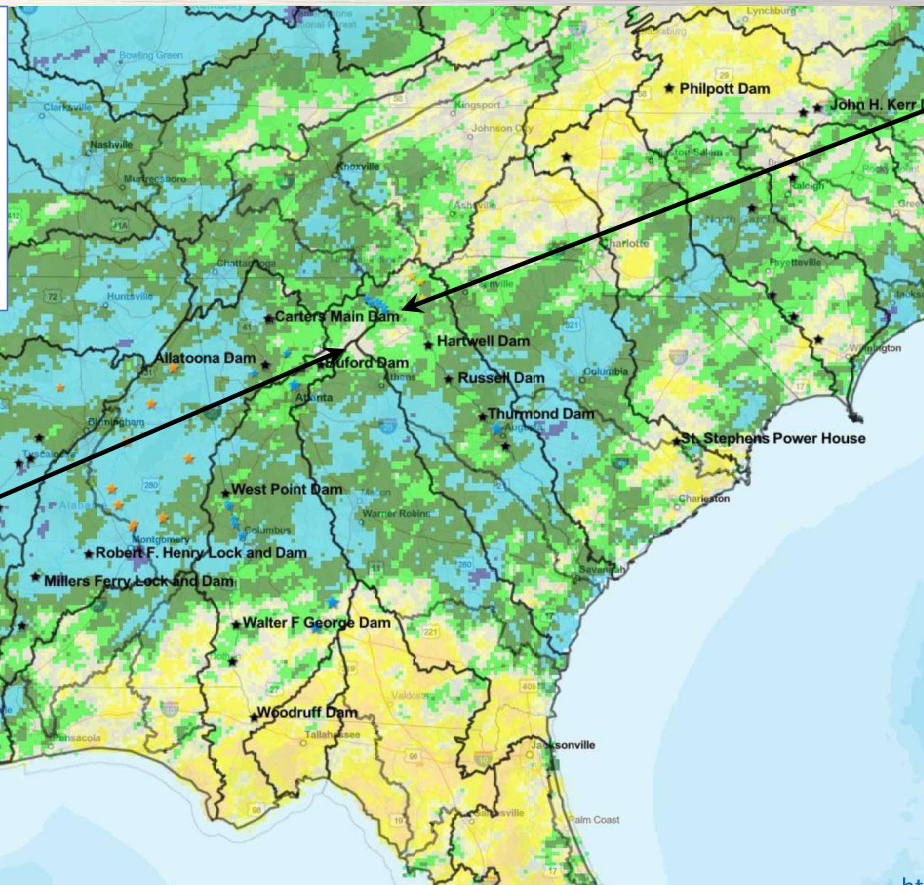


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Rainfall Departure from Normal (last 90 Days)

- Over the past 90 Days rainfall has been:
 - 100-125 percent of normal for projects in GA
 - 75-100 percent of normal for projects in NC/VA.



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Graphic as of 9 June 2025

<https://crt-climate-explorer.nemac.org/>
<https://www.cpc.ncep.noaa.gov/products/timeseries/>



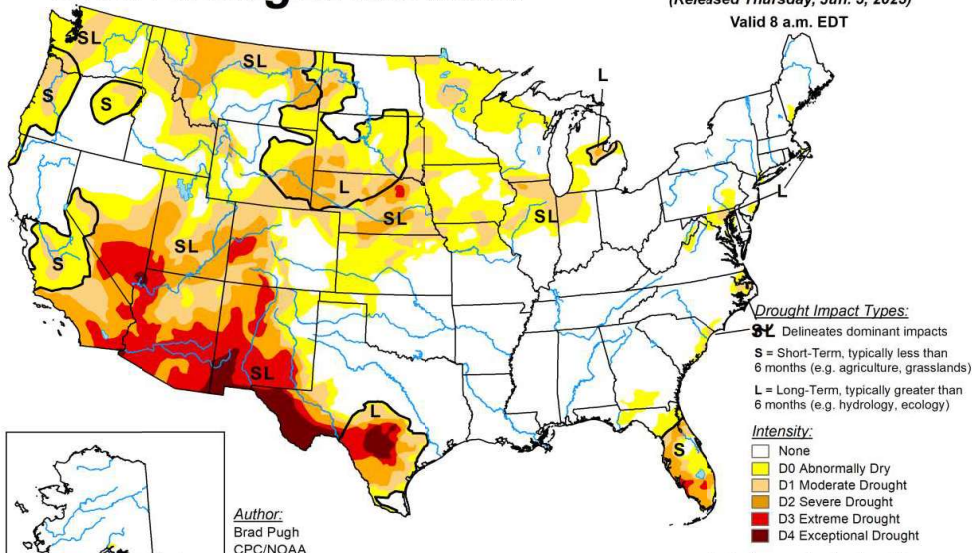
Drought Monitor (Released 5 June 2025)

U.S. Drought Monitor

June 3, 2025

(Released Thursday, Jun. 5, 2025)

Valid 8 a.m. EDT



Drought Impact Types:

SL Delineates dominant impacts

S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)

L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

Author:
Brad Pugh
CPC/NOAA

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



droughtmonitor.unl.edu

Map released: Thurs. June 5, 2025

Data valid: June 3, 2025 at 8 a.m. EDT

Intensity

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

Authors

United States and Puerto Rico Author(s):

[Brad Pugh](#), NOAA/CPC

Pacific Islands and Virgin Islands Author(s):

[Curtis Riganti](#), National Drought Mitigation Center



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<https://droughtmonitor.unl.edu/>



Weather Prediction Center (WPC) Three Month Outlook

- Currently ENSO is in Neutral Conditions
- ENSO impacts are typically most pronounced from late fall through mid spring.
- Neutral and La Nina conditions are more favorable for tropical systems because of lower wind shear over the Atlantic.

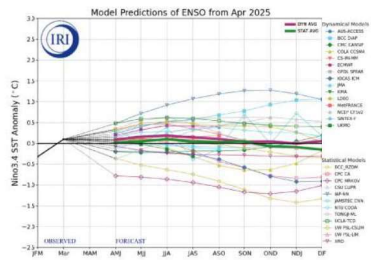
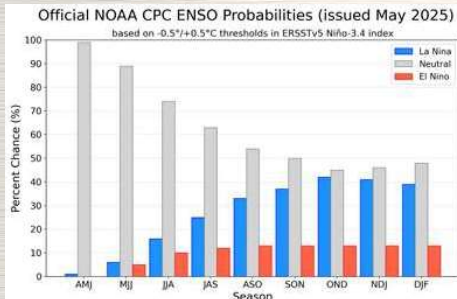


Figure 6. Forecasts of sea surface temperature (SST) anomalies for the Niño 3.4 region (5°N-5°S, 120°W-170°W). Figure updated 21 April 2025 by the International Research Institute for Climate and Society.

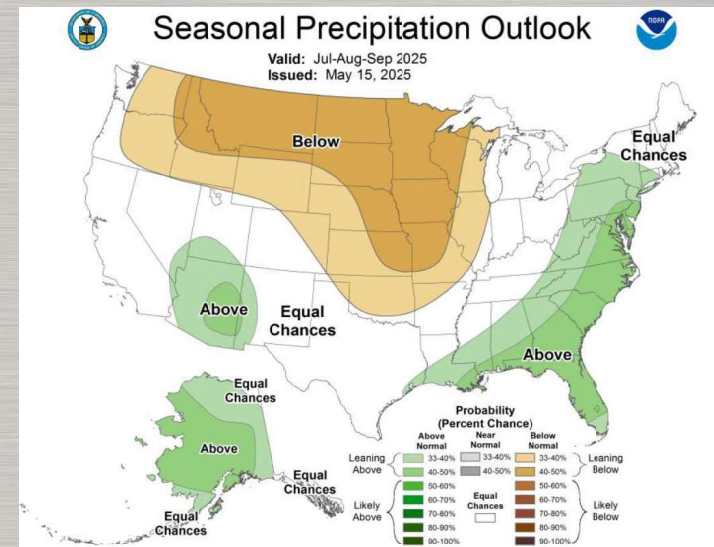
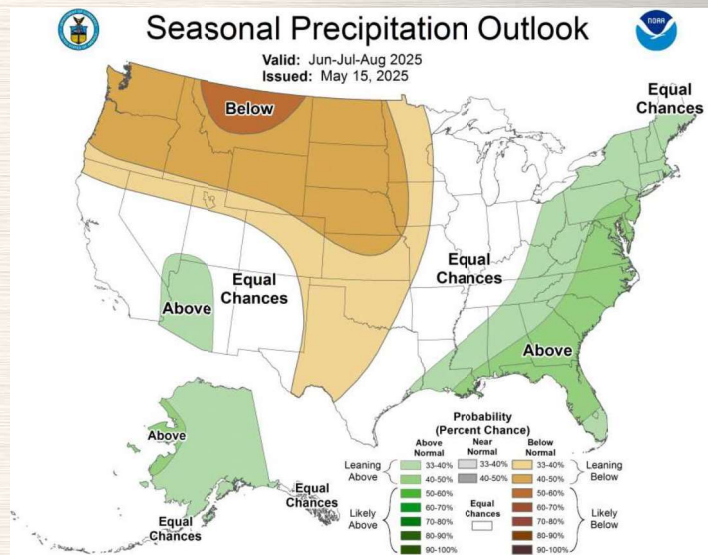
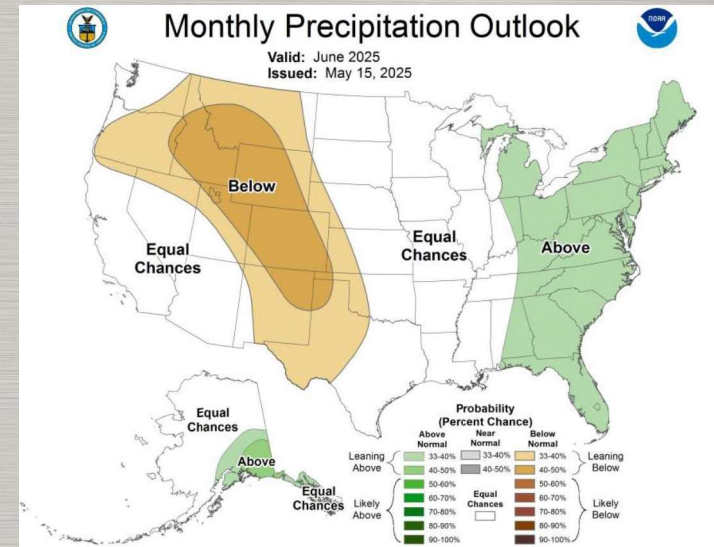


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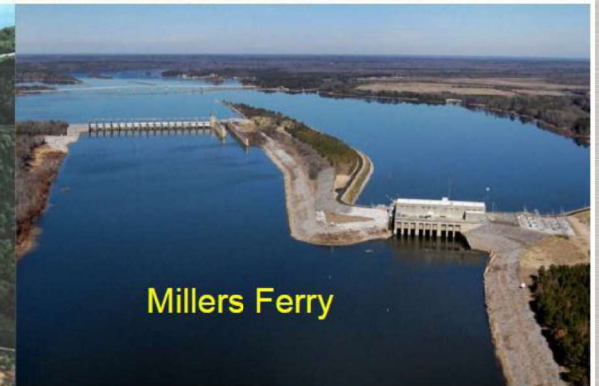
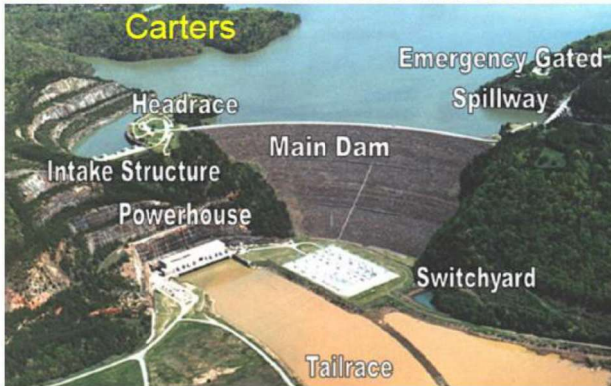
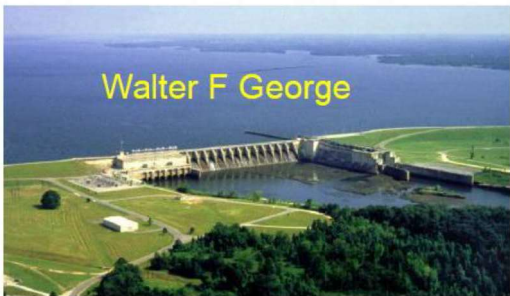
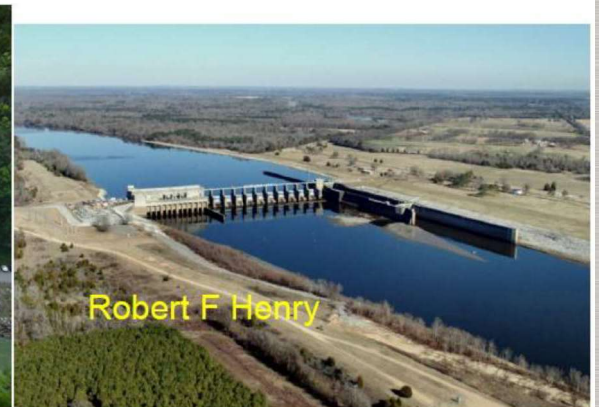
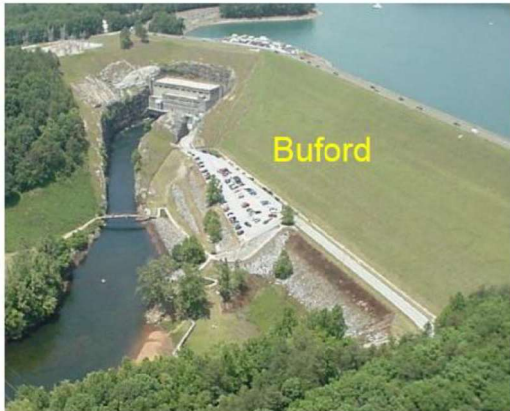
<https://iri.columbia.edu/our-expertise/climate/forecasts/enso/current/>



https://www.cpc.ncep.noaa.gov/products/predictions/long_range/



Mobile District ACT and ACF Basins



<https://www.sam.usace.army.mil/Missions/Civil-Works/Water-Management/>



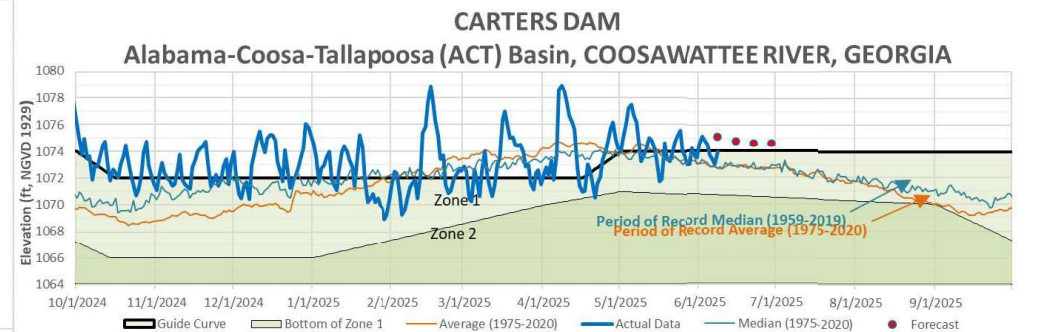
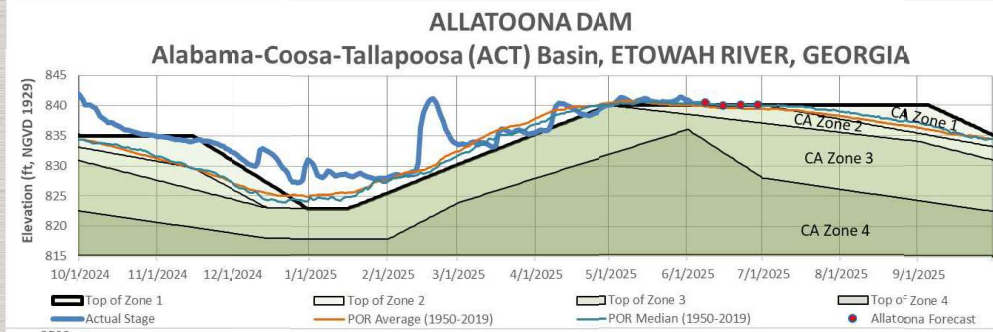
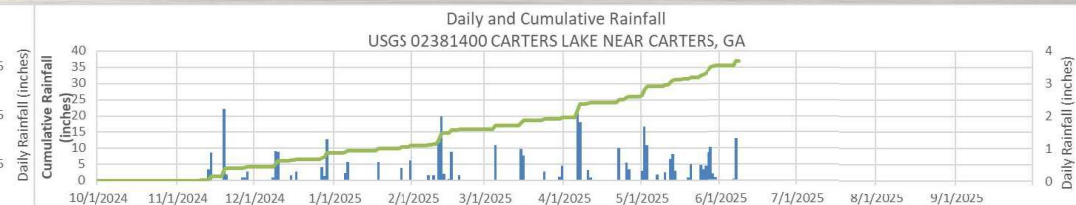
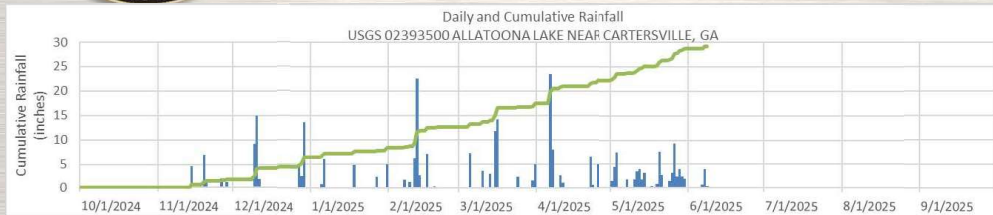
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Alabama-Coosa-Tallapoosa (ACT) Upper ACT Current and Forecasted Conditions



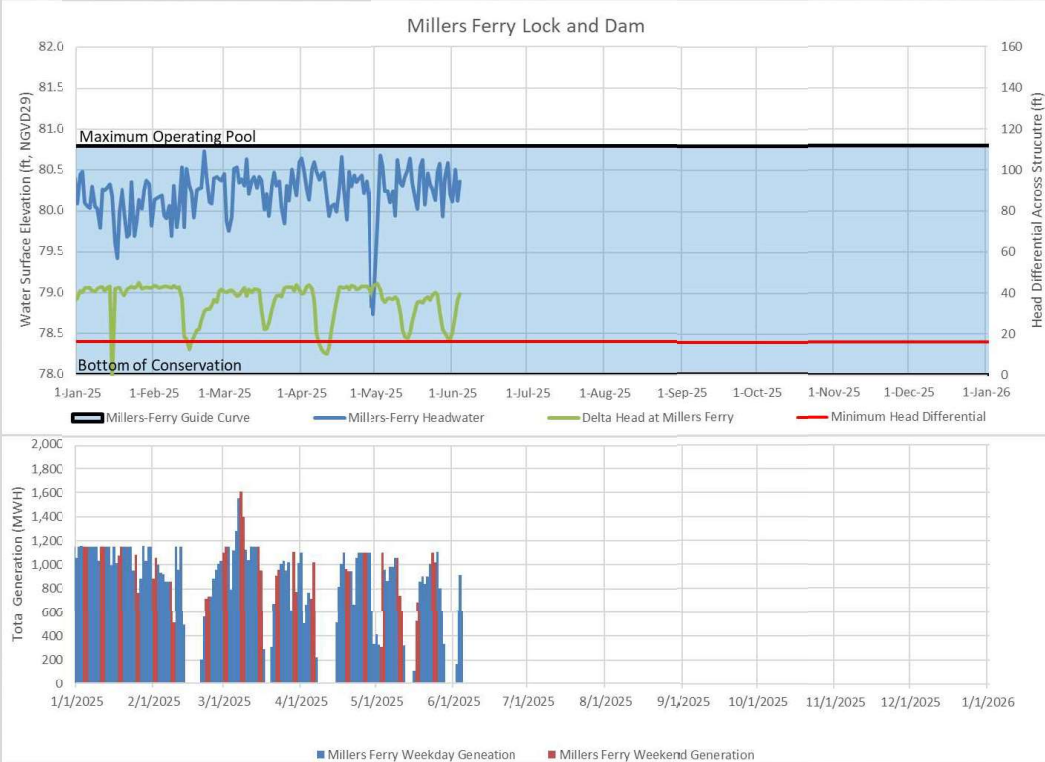
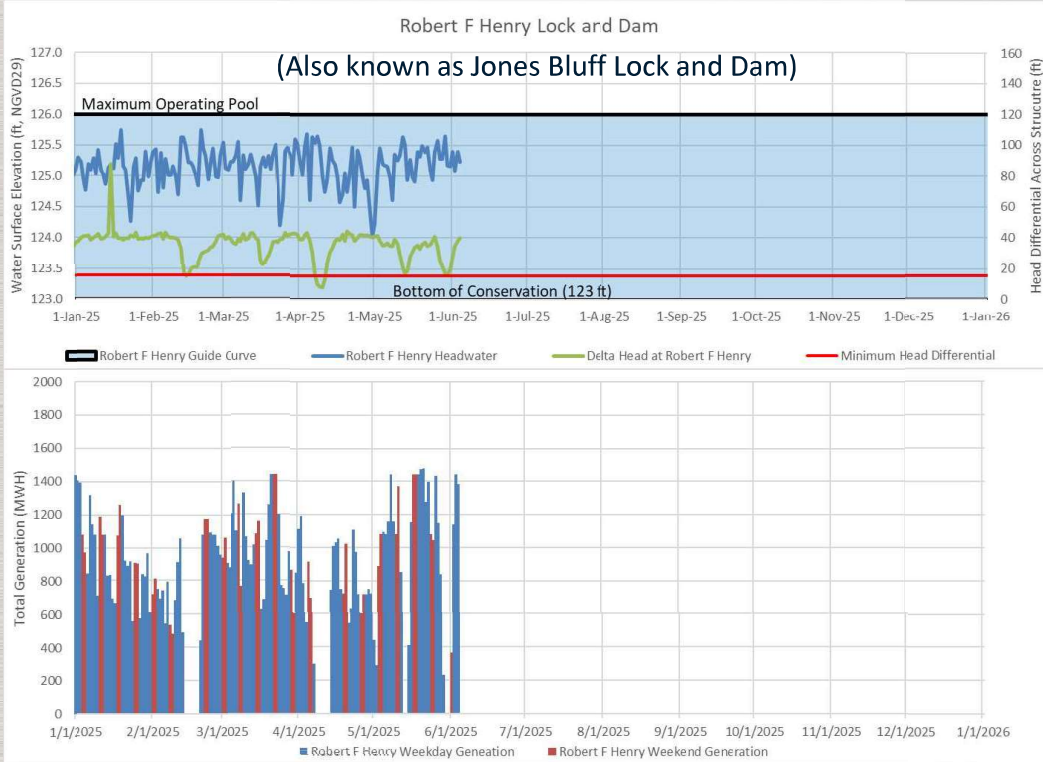
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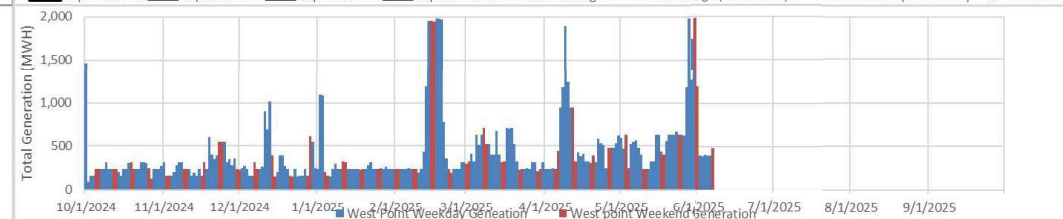
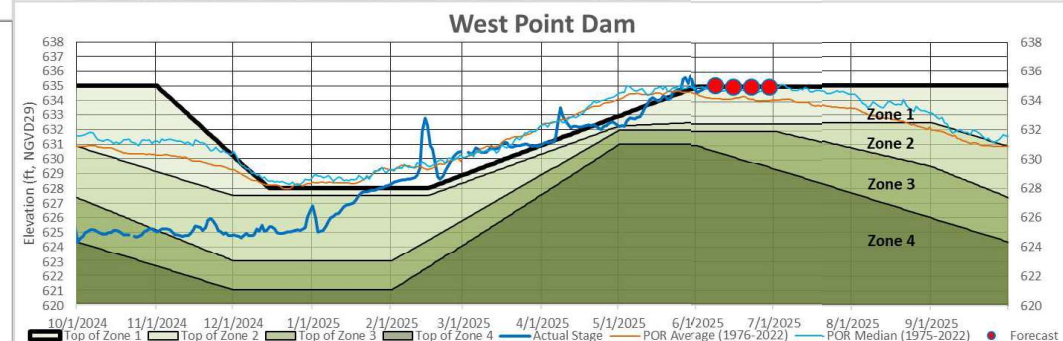
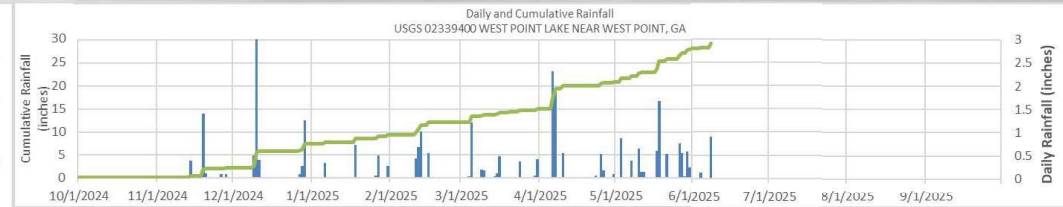
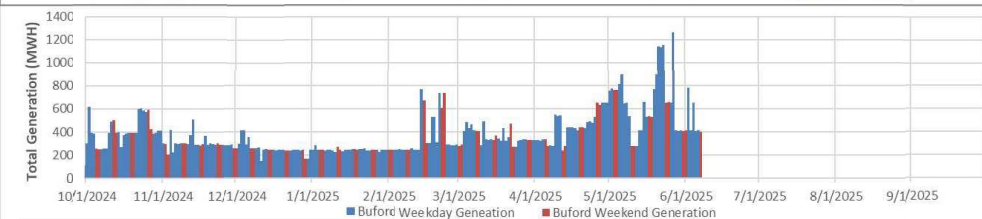
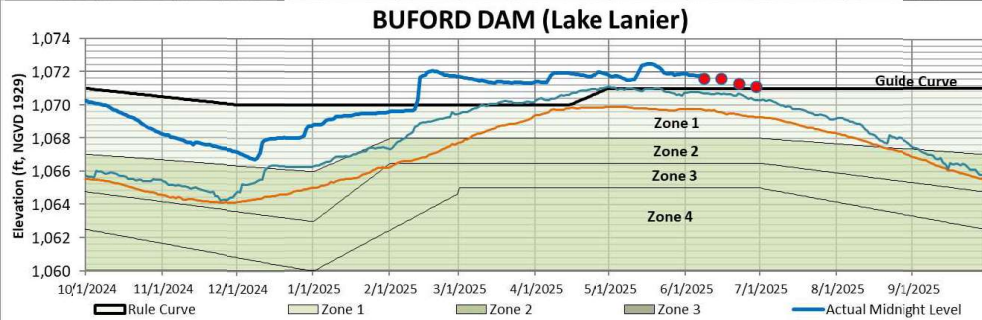
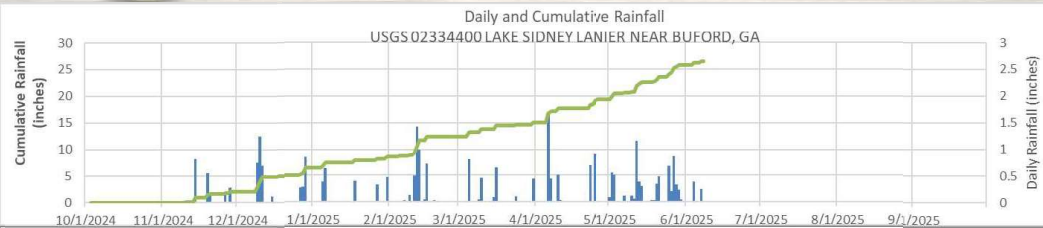
Alabama-Coosa-TALLAPOOSA (ACT) Lower ACT Current Conditions



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Apalachicola-Chattahoochee-Flint (ACF) Current and Forecasted Conditions



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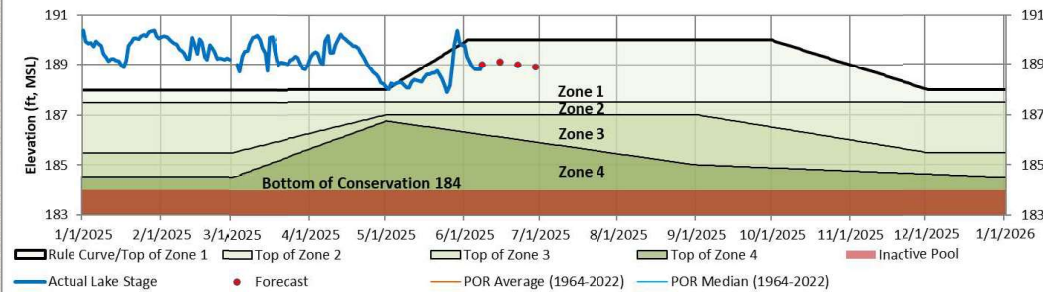


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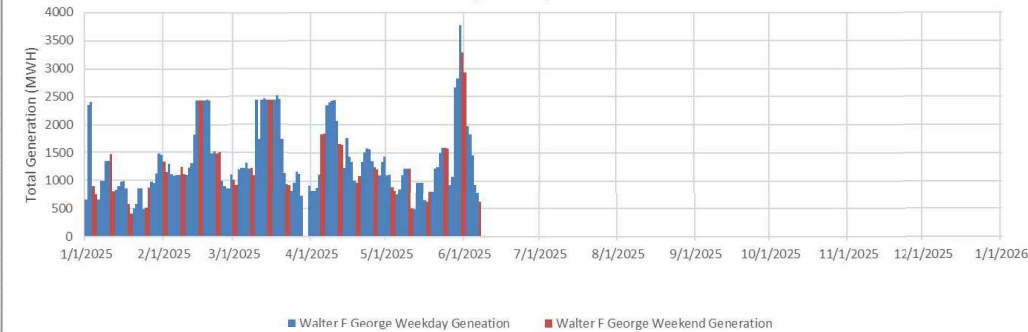


Apalachicola-Chattahoochee-Flint (ACF) Current and Forecasted Conditions

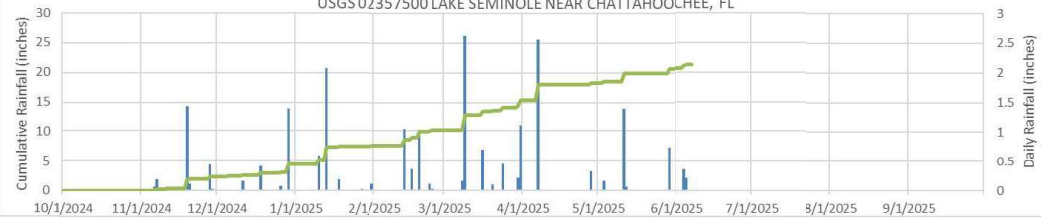
**W. F. GEORGE DAM
CHATTAHOOCHEE RIVER, GEORGIA**



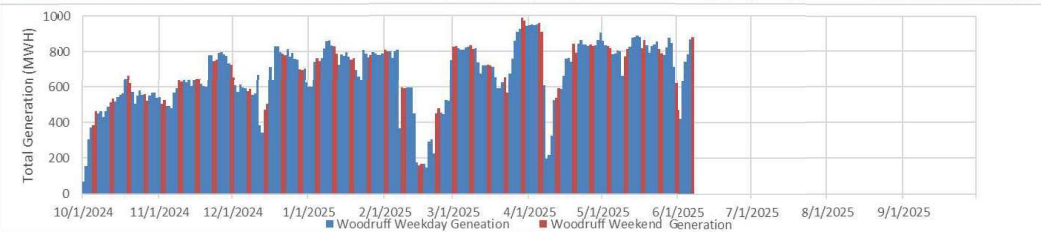
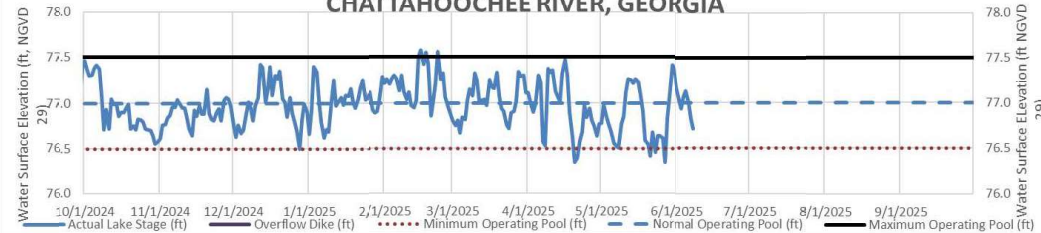
Walter F. George - Daily Gross Generation



**Daily and Cumulative Rainfall
USGS 02357500 LAKE SEMINOLE NEAR CHATTAHOOCHEE, FL**



**Jim Woodruff Lock and DAM
CHATTAHOOCHEE RIVER, GEORGIA**



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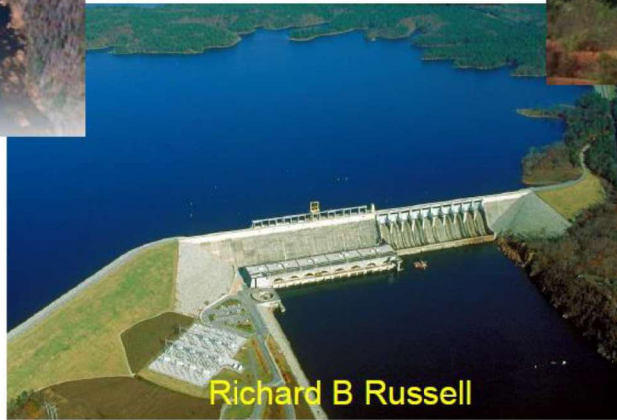
Savannah District Savannah River Basin



Hartwell



J Strom Thurmond



Richard B Russell



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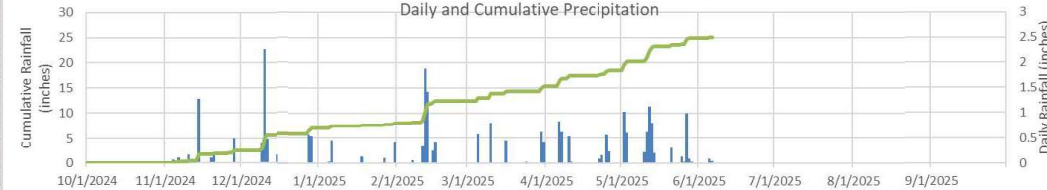
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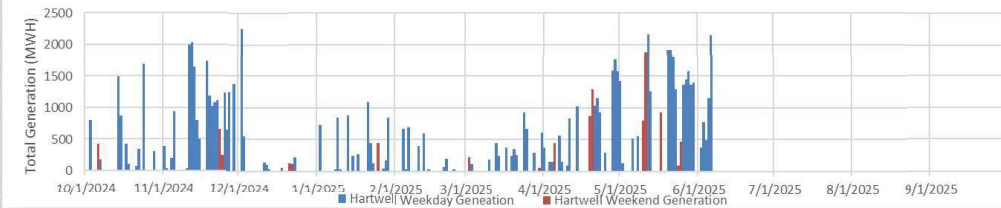
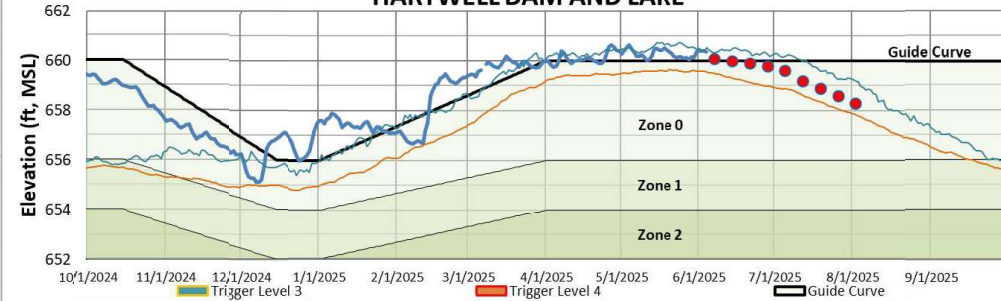
Savannah River Basin Current and Forecasted Conditions

USGS 02187010 HARTWELL LAKE NEAR ANDERSON, SC

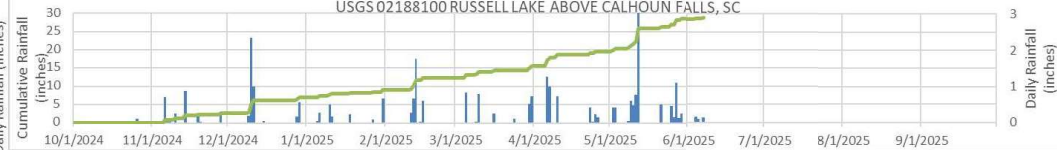
Daily and Cumulative Precipitation



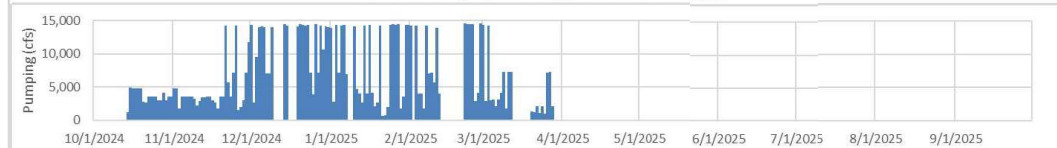
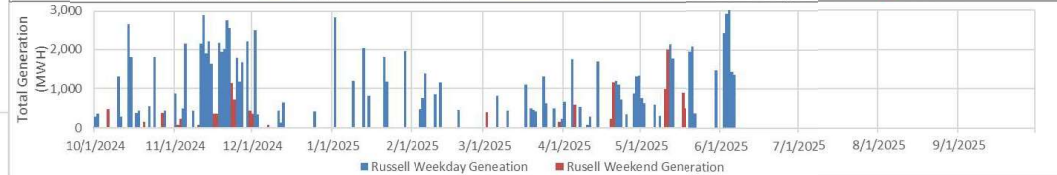
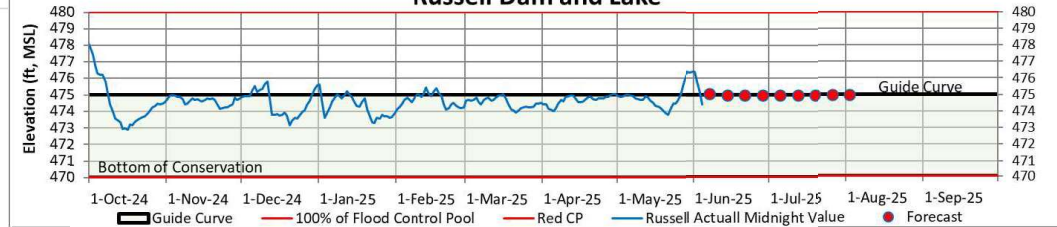
HARTWELL DAM AND LAKE



Daily and Cumulative Rainfall
USGS 02188100 RUSSELL LAKE ABOVE CALHOUN FALLS, SC



Russell Dam and Lake



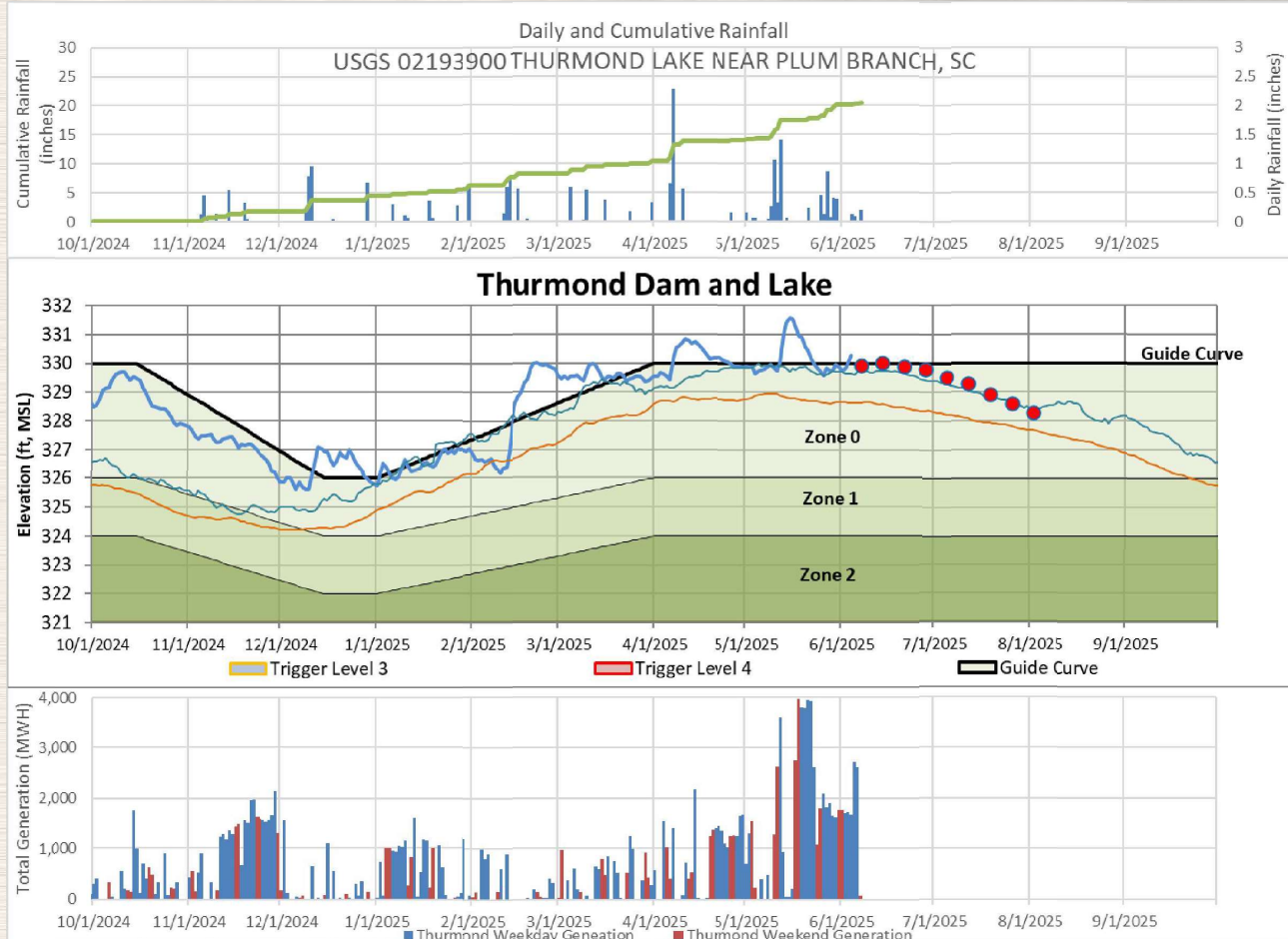
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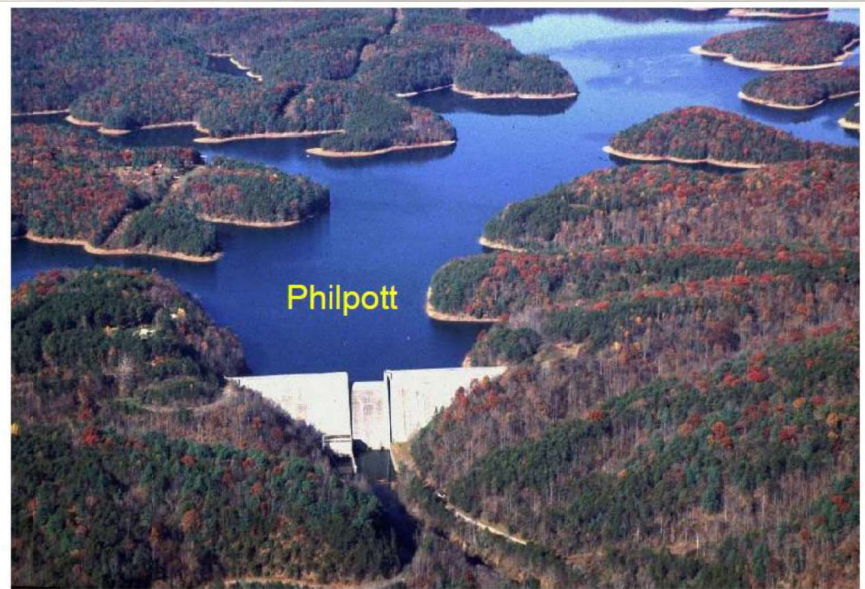
Savannah River Basin Current and Forecasted Conditions



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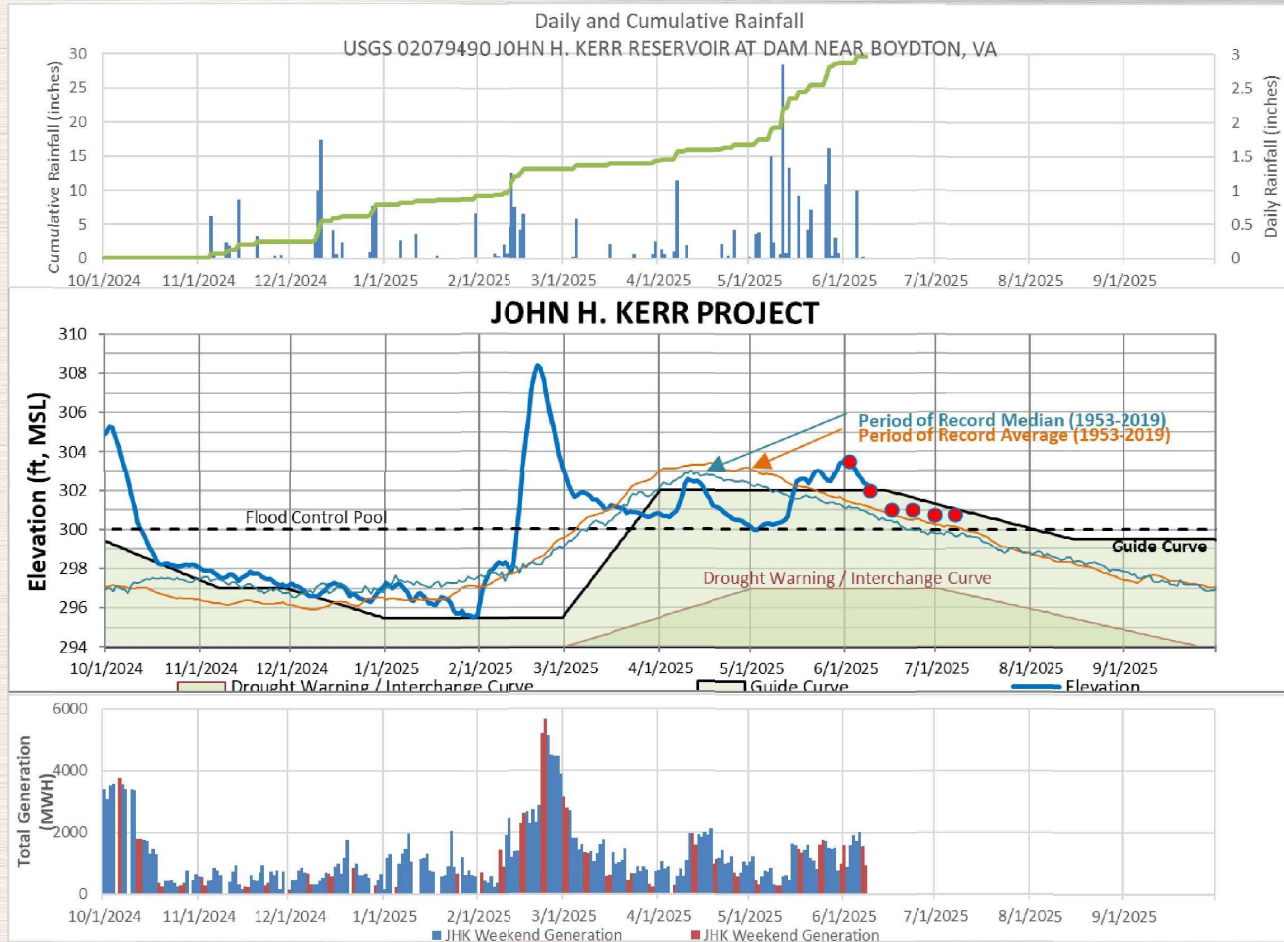
Wilmington District Roanoke River Basin



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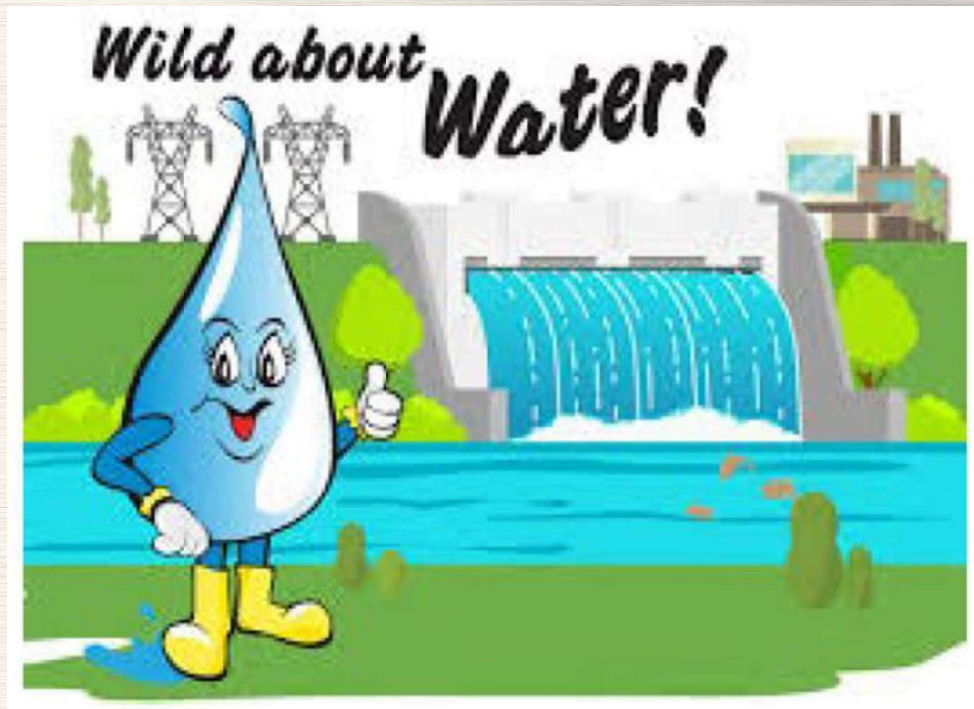
Roanoke River Basin Current and Forecasted Conditions



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Questions



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Southeastern Power Administration

Southeastern Federal Power Alliance

SEPA Marketing Expense

(O&M Update)

Carter B. Edge

Assistant Administrator & Chief Financial Officer

June 12, 2025

SEPA Marketing Expense

- **100% of SEPA's Marketing Expense is recovered through rates. This is included in the "Operating Expenses" of the combined financial statement.**
- **Salary & Benefits - \$5,617,170.89**
- **Post Retirement Benefits - \$502,679.96**
- **Facilities (Primary & Back-up)**
 - **INTEREST EXPENSE - general plant - \$50,825.13**
 - **Customer Records & Collection - \$114,993.36**
 - **Office Supplies And Expenses - \$805,657.34**
 - **Outside Services - \$514,180.16**
 - **Maintenance Of General Plant - \$80,131.18**



SEPA Marketing Expense (cont'd)

- Purchase Power & Wheeling
 - FY 2024 Purchase Power (excluding Jim Woodruff)

Row Labels	Sum of Energy	Sum of Cost
Pumping	556,187	\$17,559,763.46
Replacement	125,356	\$8,213,415.67
Grand Total	681,543	\$25,773,179.13

- Wheeling (transmission expense)

System	Cost	Purpose
CU	\$30,671.43	OASIS
CU	\$9,468,300.00	Transmission
GA	(\$28,123.58)	Imbalance
GA	\$149,269.55	OASIS
GA	\$31,661,768.92	Transmission
JW	\$1,648.26	OASIS
JW	\$112,867.59	Transmission
KP	\$286,408.73	Adjustment
KP	\$20,011.70	OASIS
KP	\$15,947,379.86	Transmission
Total	\$57,650,202.46	



SEPA Marketing Expense (cont'd)

- Own versus Lease (1166 Athens Tech Road)

Expenses						
HVAC	\$ 35,709.45			MONTHLY COST (YEARLY AMOUNT)		Added 5% per year
TREE REMOVAL	\$ 500.00			ELECTRIC	\$ 37,230.00	\$ 1,860.50
CAULK/SEAL WINDOWS	\$ 2,410.20			WATER	\$ 2,670.12	\$ 133.50
GENERATOR REPAIR	\$ 3,270.50			SEWER	\$ 2,918.52	\$ 145.90
PLUMBING	\$ 3,441.50			COMMERCIAL GAS	\$ 9,174.12	\$ 458.70
ELECTRICAL	\$ 1,769.36			DUMPSTER	\$ 1,041.00	\$ 52.05
LANDINGSCAPING	\$ 4,053.00			WASTE	\$ 1,476.00	\$ 73.80
Total	\$ 51,154.01			CLEANING	\$ 45,600.00	\$ 2,280.00
				GRASS MUCHERS (Landinfscaping)	\$ 2,064.00	\$ 103.20
				Total	\$ 102,173.76	\$ 5,107.65
						\$ 51,076.50

leasing of the building			Buying the building		
\$ 473,430.00	2022		\$ 2,500,000.00		
\$ 473,430.00	2023		\$ 51,154.01	Repairs done 2023/2024	
\$ 473,430.00	2024		\$ 1,072,814.10	Yearly Utilities 2025	
\$ 473,430.00	2025		\$ 49,712.40	2025	
\$ 473,430.00	2026		\$ 49,712.40	2026	
\$ 473,430.00	2027		\$ 49,712.40	2027	
\$ 473,430.00	2028		\$ 49,712.40	2028	
\$ 473,430.00	2029		\$ 49,712.40	2029	
\$ 473,430.00	2030		\$ 49,712.40	2030	
\$ 473,430.00	2031		\$ 49,712.40	2031	
\$ 4,734,300.00	Total Lease Payments		\$ 3,971,954.91		
Saving over ten years			\$ 762,345.09		





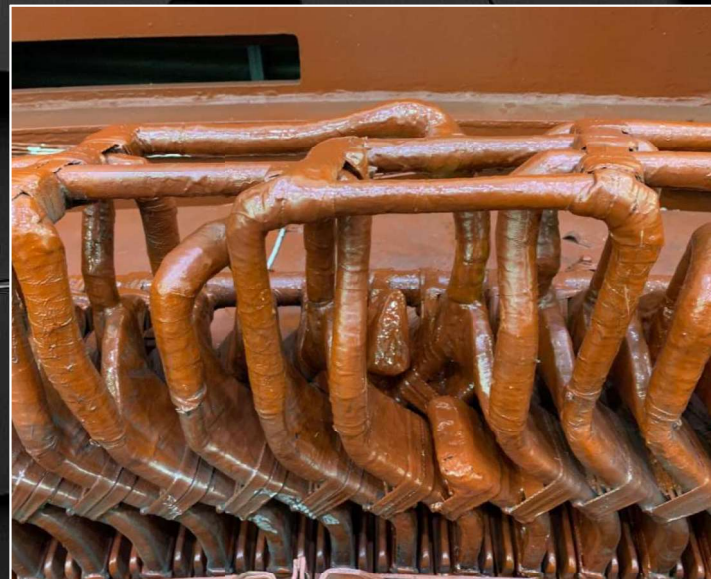
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Southeastern Power Administration



SAD MAINTENANCE UPDATE SOUTHEASTERN FEDERAL POWER ALLIANCE

Christopher S. Ludwig, P.E.
Chief, Hydropower Technical Services Center
U.S. Army Corps of Engineers
South Atlantic Division
June 2025



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Philpott Turbine & Generator Upgrade

Description/Scope:

- Generating unit rehab including new turbines, generator rewind generators, and upgrade or replacement of auxiliary components and equipment.
- Rehabilitated units to be uprated from 7.5 MVA to 9.3 MVA.
- Cost: \$28.8M



Milestone Name	Current Schedule
Advertise Solicitation	20-May-20 (A)
Close Solicitation	08-Dec-20 (A)
Award	29-Mar-21 (A)
Contractor Design	24-Dec-21
Installation Complete	May-27
Contract Completion	Oct-27
Return to service	Oct-27

Status / Challenges / Way Ahead

Status:

- Intake Gates COMPLETE.
- Draft Tube Bulkheads COMPLETE.
- New Switchgear and Building AWARDED.
- Hillside repair schedule Jan-2026.
- Turbine Runners Manufacture COMPLETE.
- Stator Installs COMPLETE

Challenges:

- On-going concerns and coordination with hillside stabilization work
- Wicket gate casting non-conformities

Way Ahead:

- Monitor supply chain and equipment delivery schedule
- Re-Assemble Units



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Richard B Russell Unit 5 Repair

Description/Scope:

- Assess root cause of excessive vibration level on Unit.
- Restore radial stator keys, perform sole plate concrete epoxy injection, and install additional instrumentation.
- Cost: \$10.1M



Milestone Name	Current Schedule
Radial Key Repair	01-Mar-24 (A)
Epoxy Crack Repair	30-Jul-24 (A)
Install Instrumentation	28-Oct-24 (A)
Testing	27-Nov-24 (A)
Return to Service	20-Dec-24 (A)
Airgap Monitoring Acquisition	

Status / Challenges / Way Ahead

Status:

- Vibration Analysis and Rotor REA COMPLETE.
- Sole Plate Foundation and Stator Frame Radial Key Replacement COMPLETE.
- Vibration Instrumentation, Testing and Inspection COMPLETE.
- Unit Returned to Service COMPLETE.

Challenges:

- Schedule and Resources due to ongoing powerhouse O&M work.

Way Ahead:

- Acquire and Install on-line Airgap Monitoring System
- Continued Service with Routine inspections



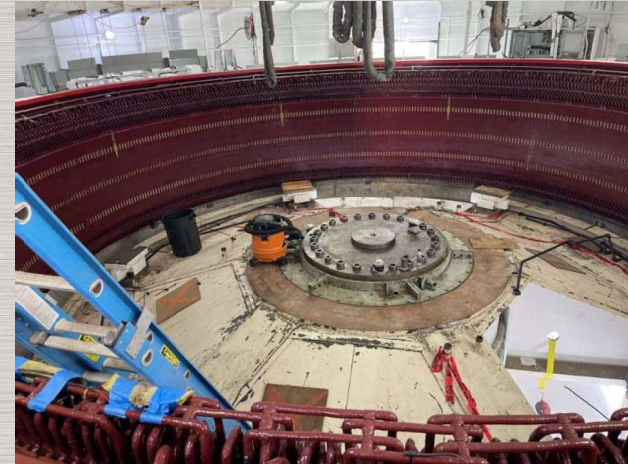
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Hartwell Units 3 & 4 Rewind

Description/Scope:

- Rewind Unit 3 and 4 Generators
- Cost: \$21.9M



Status / Challenges / Way Ahead

Status:

- Coils & Laminations Fabrication COMPLETE.
- Unit 3 Sole Plate Repairs, Stator Circularity, Grout Repairs COMPLETE.
- Unit 3 Key Bars and Laminations Installation COMPLETE
- Unit 3 Winding Installation COMPLETE
- Condition Monitoring System and Vibration Monitoring System Install Ongoing
- Contract Mod – Repair Lifting Beam, Bearing Oil Pot Cleaning, Cooling Water Pipe Cleaning, Concrete Walkway Repair, Painting

Challenges:

- Unexpected equipment conditions found during inspections.

Way Ahead:

- Reassemble and Commission Unit 3.
- Rewind Unit 4.

Milestone Name	Current Schedule
Advertise Solicitation:	11-Feb-20 (A)
Close Solicitation:	10-Jun-20 (A)
Award:	28-Aug-20 (A)
Contractor Design:	22-Mar-21 (A)
Unit 3 Manufacture:	23-Sep-21 (A)
Unit 3 Install:	9-Jan-26
Unit 4 Install:	Jan-26



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Millers Ferry Switchgear Installation

Description/Scope:

- Installation of new Government Furnished Switchgear
- Cost: \$3.1M



Milestone Name	Current Schedule
Award:	Sep-2023
Contractor On-Site:	Jul-2024
On-Site Work Complete	May-2025
Contract POP End	Jun-2025

Status / Challenges / Way Ahead

Status:

- Contract AWARDED Sep 2023
- Unit 1 & Unit 2 Switchgear and 15kV Cables INSTALLED
- Unit 3 Switchgear Installation May 2025
- Contract Complete July 2025

Challenges:

- Material Supply Chain Delays

Way Ahead:

- Contract completion expected Summer 2025
- Sub-Agreement Closeout to follow.



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GSU Transformer Repairs - Hartwell and J. Strom Thurmond

Description/Scope:

- Perform maintenance and repair of the GSU transformers including new gaskets/seals
- Cost: \$4.8M



Milestone Name	Current Schedule
JST T1 Complete	5-Sep-24 (A)
JST T4-5 Complete	16-Oct-24 (A)
JST T2-3 Complete	12-Nov-24 (A)
JST T6-7 Complete	13-Feb-25 (A)
HTW Start	2-Jun-25
HTW T2 Complete	30-Jun-25
HTW T1 Complete	4-Aug-25
HTW T3 Complete	8-Sep-25

Status / Challenges / Way Ahead

Status:

- TVA has completed all transformers at J. Strom Thurmond (T1, T2-3, T4-5, & T6-7).
- TVA is scheduled to begin work on T2 at Hartwell on 2 June 2025.

Challenges:

- The need for unexpected refurbishment of bushings and replacement of pressure relief devices at J. Strom Thurmond has constrained Hartwell's contract budget, reducing the resources available to address any unforeseen issues encountered during regasketing.

Way Ahead:

- Hartwell work will begin in June 2025.
- The following work will be done on the Hartwell Transformers:
 - T1 – Gasket replacement, COPS tank bladder replacement, and testing.
 - T2 – Gasket replacement, COPS tank bladder replacement, and testing.
 - T3 – COPS tank bladder replacement and testing.
- A request will be submitted to release contingency funds for this project, providing Hartwell with the necessary flexibility to address commonly unforeseen issues that may arise.



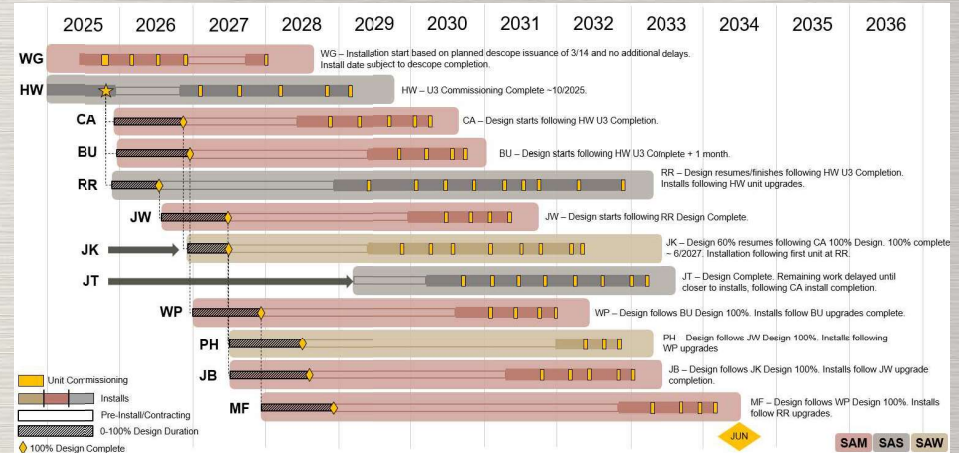
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South Atlantic Division Controls Infrastructure Updates

Description/Scope:

- Implementation and modernized digital controls systems and next generation SCADA/GDACS throughout SAD.
- Current SCADA system is not compliant with NERC standards and there is significant risk of failure due to age and condition.
- Existing electro-mechanical controls are 40-50 years old and have exceeded their expected life.
- Modernized control will comply with NERC standards, ability to quickly adapt to future requirements, and reduced maintenance time & costs.
- Centralized control of all 13 power plants will improve reliability and reduce costs.



Upcoming Milestones:

Milestone Name	Current Schedule
WFG Contract Modification	Jul-25
WFG Personnel Resume Install	Aug-25
HTW Unit 3 Test & Dry Commission	Oct-25
HTW U3 Wet Commissioning	Nov-25

Status / Challenges / Way Ahead

Status:

- Install Design for Hartwell COMPLETE
- Supp & Install Design for JHK 60%
- WFG, Hartwell, Russell, and Kerr Cabinet Supply TO: COMPLETE.
- WFG Install: ONGOING.
- Hartwell U3 Install: ONGOING.

Challenges:

- Acquisition of materials and equipment

Way Ahead:

- Hartwell U3 Commissioning.
- ROC Design Charrette.
- Hartwell U4 Install.
- WFG Installations



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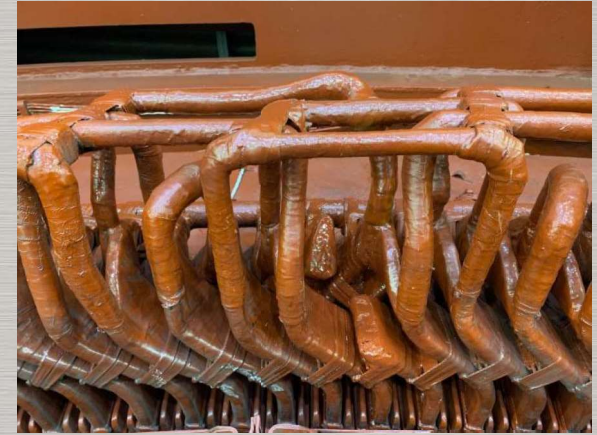
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HTSC Significant activities

Forced Outage Responses:

- Jones Bluff U3 Winding Repair (pictured)
- Jones Bluff U2 51V relay trip



Programmatic Improvements:

- Long Range Investment Plan
 - LRIP Tool Development COMPLETE.
 - Implementation Ongoing.
 - Initial LRIP List MAR 2025.

Compliance and Proactive Projects:

- NERC Relay Testing
 - Savannah District Relay Testing COMPLETE
 - Mobile District Relay Testing IN PROCESS (Sep 2025)
- Drawing Digitization & Library
- Carter Gas Circuit Breaker Replacement



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Southeastern Power Administration

Southeast Federal Power Alliance

Customer Funding Panel Discussion

(Section 212)

Moderator – Leon Jourolmon

Panelists - Carter Edge, Sirisha Rayaprolu, Brian Sapp

June 12, 2025



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Southeastern Power
Administration

Program Status

- Section 212 Customer Funds Reconciliation (as of May 2025 invoices)

	Jim Woodruff (Mobile)	GA-AL-SC (Mobile)	GA-AL-SC (Savannah)	Kerr-Philpott (Wilmington)	Cumberland (Nashville)
Beginning Balance	\$1.825M	\$125M	\$98M	\$46.7M	\$619M
FY25 Activity	0	0	0	0	\$32M
Ending Balance	\$1.825M	\$125M	\$98M	\$46.7M	\$651M



Section 212 Governance Structure

•South Atlantic Division - (K-P, GA-AL-SC and Jim Woodruff systems)

- 3 System Project Review Committees (for each System w/ SAD chair)
 - All Sub-Agreements from PRC approved work items are signed by the SEPA Administrator, the SeFPC President (as Designated Agent), and the USACE Commanding Officer

•Great Lakes and Ohio River Division – Cumberland Master Plan

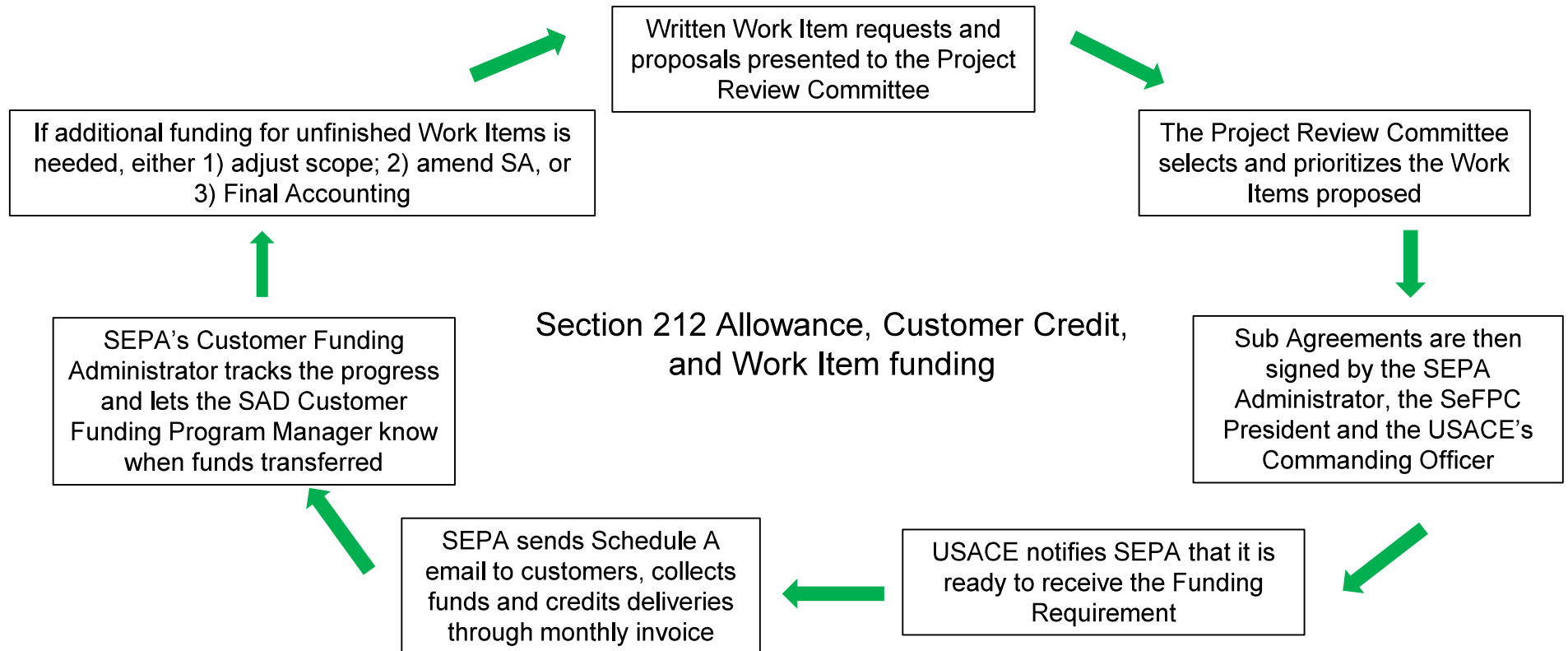
- 3 separate Memoranda of Agreement (Long Term, Short Term, Legacy)
 - Project Review Committee (PRC) recommends approval for LT MOA work items
 - Program Coordination Group (PCG) recommends approval for ST MOA work items
 - PCC and PCG members must both approve the Legacy MOA work items
 - SEPA Administrator and USACE's Commanding Officer sign Sub-Agreements
- LRN hosts monthly PCC (Customer) calls to provide project updates



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SEPA cycle of SAD Sub-Agreements



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Incremental Funding

- **MOA Amendment #3: (2-14-18)**

“Prior to initiation of any phase of work by the Corps as set forth in a Sub-Agreement, all required funds for a specific phase of work to be performed will be in the possession of the Corps. Subject to the unanimous agreement of the PRC, uncommitted funds accumulated in a subaccount for an uncompleted Work Item may be utilized to start work on an unfunded Work Item in an executed Sub-Agreement. Upon collection of all the Funding Requirement for the unfunded Work Item, the Corps must return an amount equal to the transferred amount to the subaccount for the Funding Requirement of the uncompleted Work Item which provided the transferred funds”.



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Hydropower Modernization Initiative

- Nashville District - Cumberland Master Plan...
- SAD – Long Range Improvement Plan...

*Repayment studies for each of Southeastern's four power marketing systems are updated annually and demonstrate the adequacy of the rates for each system. Rates are considered to be adequate when revenues are sufficient to repay all costs associated with power production and transmission costs. **Power production and transmission costs include the amortization of Federal investment allocated to power.***

- SEPA needs reasonably accurate forecast of costs for rate sufficiency
 - Not just future years 1-5, but also years 6-50



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Southeastern Power Administration



CUSTOMER FUNDING STATUS

Southeaster Federal Power Alliance
Spring 2025 Meeting
12 June 2025

Sirisha Rayaprolu
Deputy Chief of Operations
South Atlantic Division, USACE

Brian Sapp
Chief, Hydropower Branch
Mobile Districts, USACE

Chris Ludwig
Chief, Hydropower Technical Services Center
South Atlantic Division, USACE



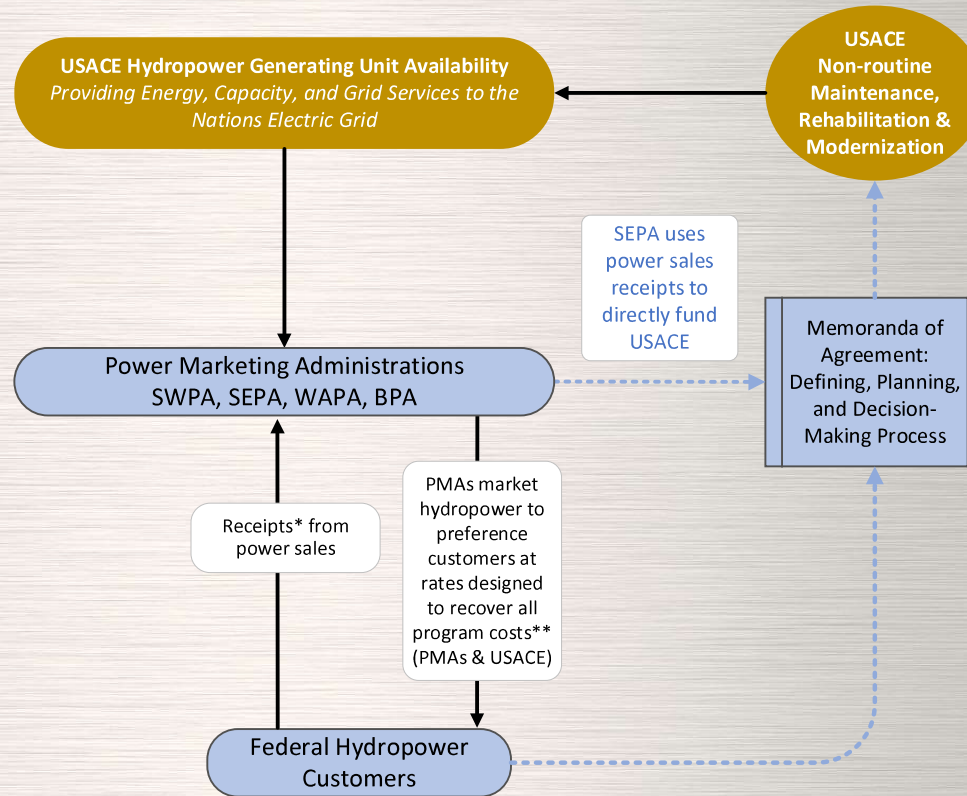
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Overview of Customer Funding



- Customer funding allows SEPA to finance non-routine maintenance, rehabilitation, and modernization of hydropower projects.
- This process is guided by MOAs, which outline clear roles for SEPA, USACE, and customers in funding and operations.
- Projects approved by the PRC are funded and executed through Sub-agreements.

*Receipts from power sales also:
Fully fund/offset SEPA budgetary needs

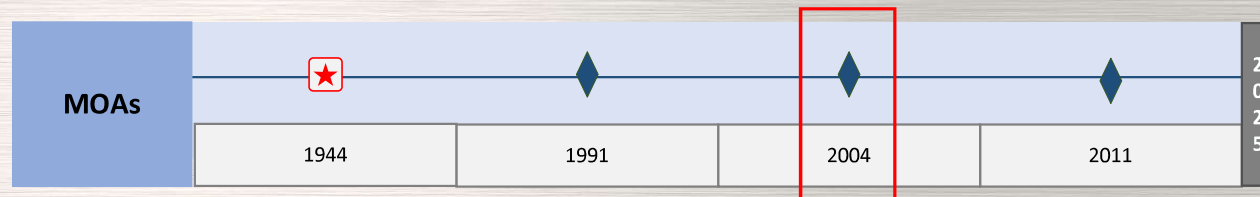
**Annual expenses are recovered in one year.
Capital expenditures are recovered with interest
over life of the investment NTE 50 years.



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Role of Memoranda of Agreements



MOAs establish frameworks that outline responsibilities, procedures, and agreements between SEPA, USACE, and the Preference Customers regarding power marketing and funding.

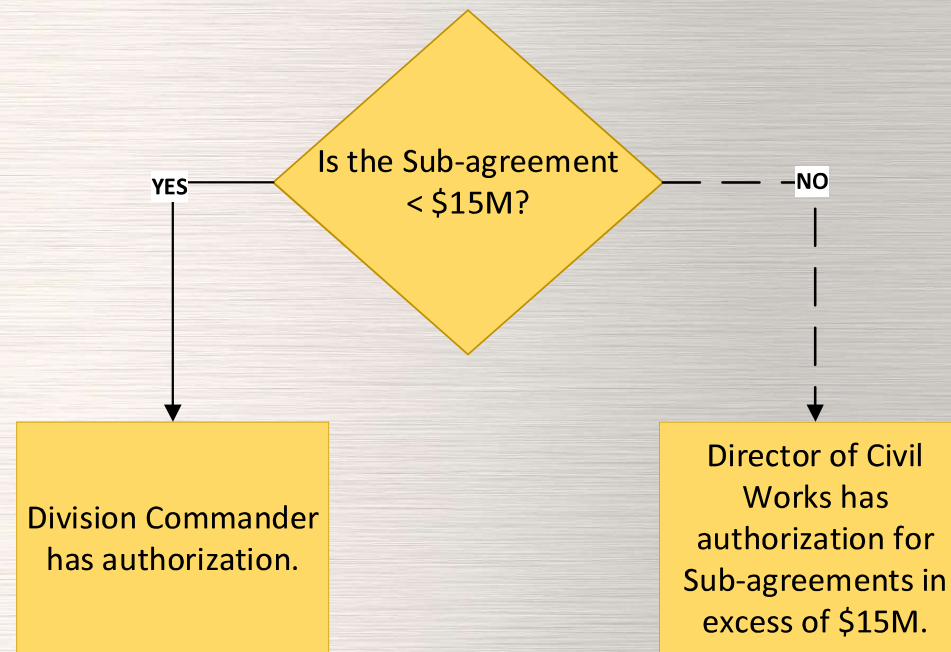
2004 Agreement: established a framework to allow customer funding for maintenance, rehabilitation, and modernization of USACE-owned hydropower facilities. Stood up Project Review Committee (PRC) to review and approve projects to be funded.

Key Provisions from Amendments 1, 2, 3:

- Introduced approval thresholds for sub-agreements (*see next slide*)
- Modified the requirement for entire project funding to allow for phase-by-phase funding
 - All funds required for a specific phase must be collected before starting that phase
- Allowed temporary use of uncommitted funds from for new projects, contingent on **unanimous** PRC approval
 - Required replenishment of original fund once full funding for the new project was secured
- Introduced “Marketing Areas”
 - Each Marketing Area is treated independently, and each has its own PRC that approves and funds projects within that area
- Enabled separate agreements tailored to different Marketing Areas to emphasize that *funding obligations are limited to customers within the marketing area*



Key Approvals and Signatories



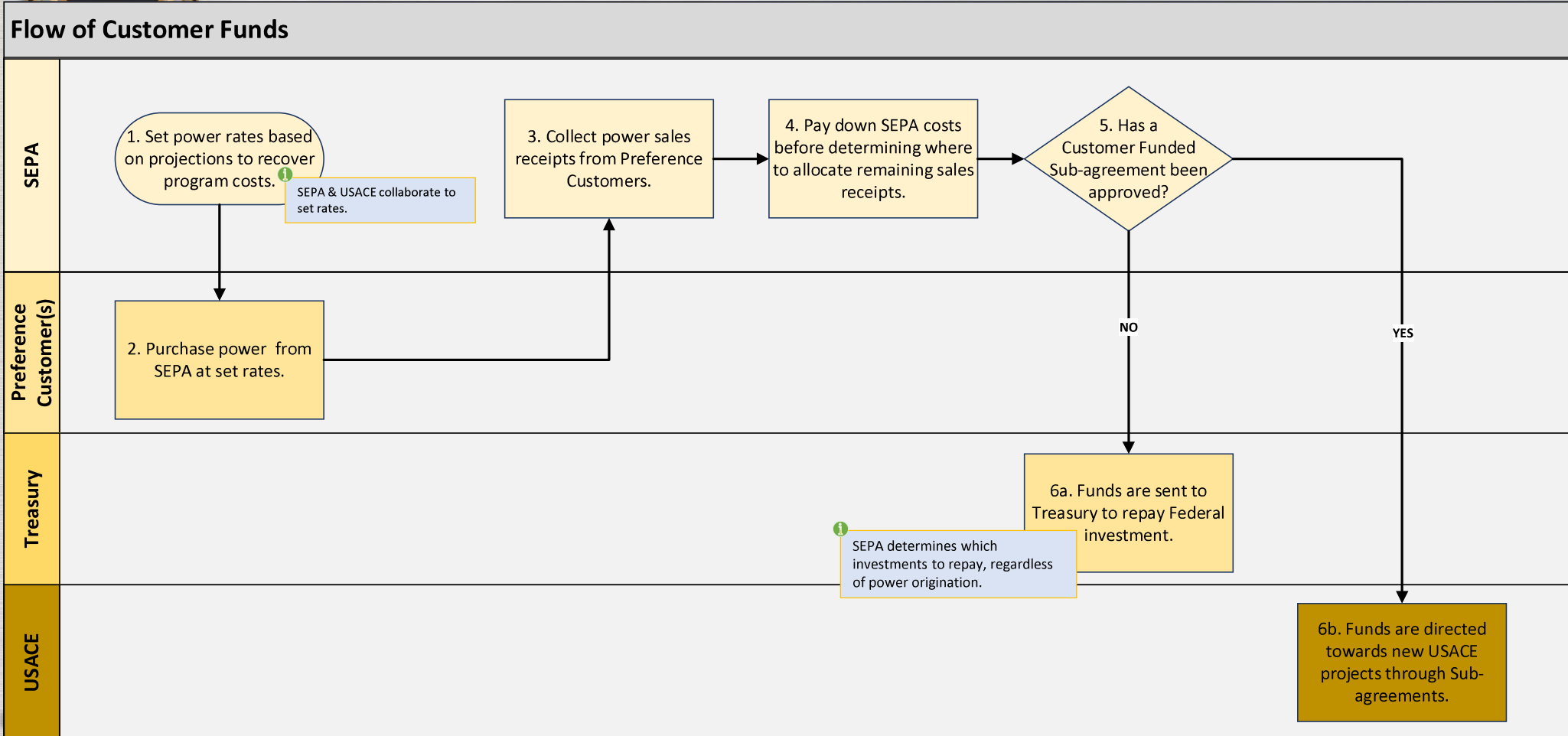
In cases of uncertainty or ambiguity, authorization should come from the Director of Civil Works.



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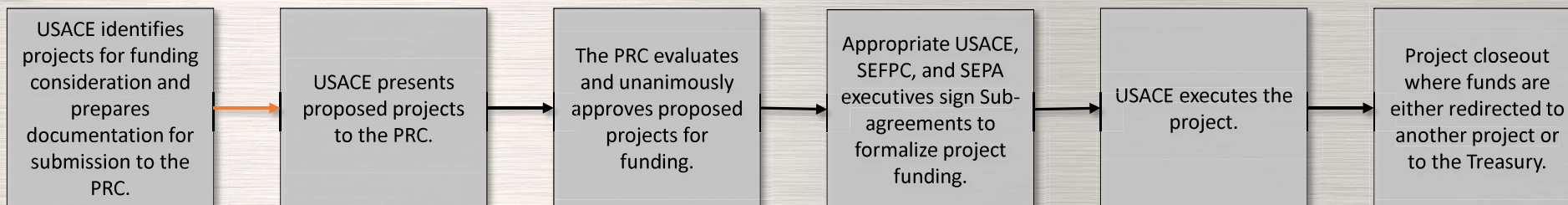
Flow of Customer Funds



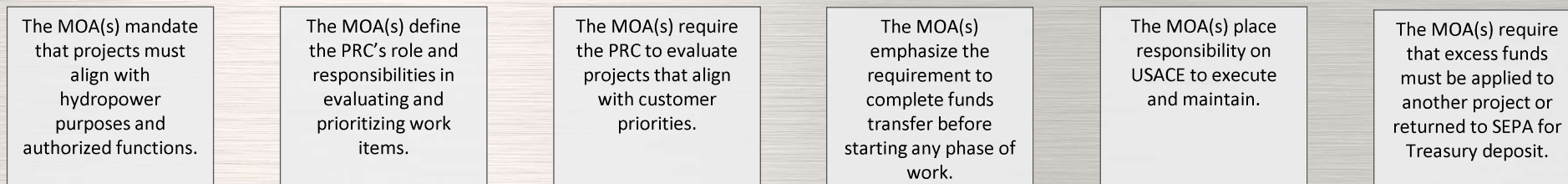


Customer Funding Lifecycle

Lifecycle



MOAs



Projects eligible for funding must pertain to maintenance, rehabilitation, or modernization of USACE-owned hydropower facilities. These activities must align with hydro-specific purposes under FCA of 1944.



Temporary use of uncommitted funds for new projects requires unanimous PRC approval and subsequent replenishment.



Decisions for excess funds must be made within 90 calendar days of final accounting. In the event no decision has been made, the excess funds will automatically be returned to SEPA for Treasury deposit.



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CURRENT STATUS (New Proposals)

Action	System	Sub-Agreement	Project	Work Item	Current Funding	Obligated	Unobligated	Additional Funding Requested	Total Amended Funding
New Proposal	GA-AL-SC	Sub-Agreement 34	GA-AL-SC System	Lifting Device Compliance Certification				\$9,840,000	\$9,840,000
New Proposal	Kerr-Philpott	Sub-Agreement 8	Kerr-Philpott System	Lifting Device Compliance Certification				\$1,080,000	\$1,080,000
New Proposal	Woodruff	Sub-Agreement 2	Jim Woodruff	Lifting Device Compliance Certification				\$1,080,000	\$1,080,000
New Proposal	GA-AL-SC	Sub-Agreement 34	Walter F. George, Hartwell, Richard B. Russell, J. Strom Thurmond	Excitation System Replacement				\$25,000,000	\$25,000,000
New Proposal	Kerr-Philpott	Sub-Agreement 8	Kerr-Philpott System	Excitation System Retrofit				\$2,300,000	\$2,300,000
New Proposal	GA-AL-SC	Sub-Agreement 31	Millers Ferry	Work Item A Millers Ferry Raw System Replacement				\$3,800,000	\$3,800,000
New Proposal	GA-AL-SC	Sub-Agreement 35	Buford	Work Item A Buford Governor Replacement				\$3,110,000	\$3,110,000



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CURRENT STATUS (Amendments)

Action	System	Sub-Agreement	Project	Work Item	Current Funding	Obligated	Unobligated	Additional Funding Requested	Total Amended Funding
Amendment	GA-AL-SC	Sub-Agreement #12	GA-AL-SC System	Work Item F System-wide Power Plant Print Updates	\$4,525,000	\$206,471	\$4,318,529	\$5,975,000	\$10,500,000
Amendment	GA-AL-SC	Sub-Agreement #25	GA-AL-SC System	Work Item B Mobile And Savannah District - Supervisory Control System Upgrade	\$9,000,000	\$2,604,621	\$6,395,379	\$11,000,000	\$20,000,000
Amendment	GA-AL-SC	Sub-Agreement #27	GA-AL-SC System	Work Item B Mobile And Savannah District - Maintenance Management Efficiency Improvements	\$2,600,000	\$1,304,852	\$1,295,148	\$5,100,000	\$6,800,000
Amendment	GA-AL-SC	Sub-Agreement #29	GA-AL-SC System	Work Item A Mobile And Savannah District - Centralized Operations Implementation	\$3,050,000	\$1,851,896	\$1,198,104	\$3,300,000	\$6,350,000
Amendment	GA-AL-SC	Sub-Agreement #30	Hartwell, RBR, WFG	Work Item A HWL, RBR & WFG – Plant Control System And Protective Relay Upgrade Procurement & Installation	\$11,445,281	\$7,867,995	\$3,577,286	\$55,029,719	\$66,745,000
Amendment	Kerr-Philpott	Sub-Agreement #5	KP System	Work Item C Wilmington District Plant Supervisor Control System Replacement	\$2,000,000	\$499,774	\$1,500,226	\$2,050,000	\$4,050,000
Amendment	Kerr-Philpott	Sub-Agreement #6	John H. Kerr	Work Item A Wilmington District Plant Control System and Protective Relay Replacement	\$5,350,000	\$1,953,595	\$3,396,405	\$19,750,000	\$25,100,000
Amendment	Kerr-Philpott	Sub-Agreement #4	Philpott	Work Item A Philpott Turbine/Generator Replacement	\$25,325,400	\$24,569,636	\$755,764	\$3,500,000	\$28,825,400



CURRENT STATUS (Close-Outs)

Action	System	Sub-Agreement	Project	Work Item	Current Funding	Obligated	Unobligated	Additional Funding Requested	Total Amended Funding
Closeout	GA-AL-SC	Sub-Agreement #9	Allatoona	Work Item A Allatoona Switchyard Construction	\$13,000,000	\$11,912,868	\$1,087,132	(\$1,087,132)	\$11,912,868
Closeout	GA-AL-SC	Sub-Agreement #9	Allatoona	Work Item B Allatoona Plant Controls Replacement	\$4,200,000	\$3,841,103	\$358,897	(\$358,897)	\$3,841,103
Closeout	GA-AL-SC	Sub-Agreement #12	J. Strom Thurmond	Work Item B Thurmond Transmission Line Protection Replacement	\$375,000	\$353,793	\$21,207	(\$21,207)	\$353,793
Closeout	GA-AL-SC	Sub-Agreement #12	Mobile District	Work Item D Mobile District Motor Control Centers Installation	\$7,000,000	\$68,506	\$6,931,494	(\$6,931,494)	\$68,506
Closeout	GA-AL-SC	Sub-Agreement #16	Carters	Work Item A Carters Units 3 & 4 Generator Rewind	\$39,000,000	\$26,914,257	\$12,085,743	(\$12,085,743)	\$26,914,257
Closeout	GA-AL-SC	Sub-Agreement #19	Allatoona	Work Item A Allatoona Fire Restoration	\$10,000,000	\$3,720,011	\$6,279,989	(\$6,279,989)	\$3,720,011
Closeout	GA-AL-SC	Sub-Agreement #28	System Wide	Work Item A Mobile And Savannah District - Model Testing And Validation	\$1,740,000	\$1,089,546	\$650,454	(\$650,454)	\$1,089,546
Closeout	GA-AL-SC	Sub-Agreement #28	Richard B. Russell	Work Item B Richard B. Russell Circuit Breaker Hydraulic Operator Replacement	\$500,000	\$409,185	\$90,815	(\$90,815)	\$409,185
Closeout	Woodruff	Sub-Agreement #1	Jim Woodruff	Work Item A Jim Woodruff Station Service Transformer Replacement	\$375,000	\$231,519	\$143,481	(\$143,481)	\$231,519
Closeout	Kerr-Philpott	Sub-Agreement #5	John H. Kerr	Work Item A John H. Kerr - Model Testing And Validation	\$420,000	\$297,366	\$122,634	(\$122,634)	\$297,366



CURRENT STATUS (Consolidate)

Action	System	Sub-Agreement	Project	Work Item	Current Funding	Obligated	Unobligated	Additional Funding Requested	Total Amended Funding
Consolidate	GA-AL-SC	Sub-Agreement #18	Savannah District	Work Item A Remote Operations Final Design, Install & Commissioning	\$14,980,000	\$11,786,168	\$3,193,832	(\$3,193,832)	\$11,786,168
Consolidate	GA-AL-SC	Sub-Agreement #27	GA-AL-SC System	Work Item A Mobile And Savannah District – Plant Control System And Protective Relay Replacement Design	\$3,500,000	\$1,542,003	\$1,957,997	(\$1,957,997)	\$1,542,003
Consolidate	Kerr-Philpott	Sub-Agreement #5	KP System	Work Item B Wilmington District - Plant Control System and Protective Relay Replacement Design	\$955,000	\$561,518	\$393,482	(\$393,482)	\$561,518



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SAD Long Range Investment Plan (LRIP)

- An SAD Long Range Investment Policy (LRIP) has been developed in coordination with District BLM's and HTSC managers.
- Intent is for all investment work be identified in the resulting plan, to the extent possible. Emergency work will be coordinated through District BLMs for implementation into the plan, as appropriate.
- Prioritization of projects will be based on business case justifications including, but not limited to, risk, efficiency, and operations & maintenance costs. Utilizes project categories of Condition & Consequence of Failure, Lifecycle Management, and Compliance. Consequence of Failure factors will consider safety, redundancy, and machine capacity & reliability, at a minimum. Includes PMA/SEPA input.
- The LRIP will identify projects for at least 10 years into the future, with project planning resolution increasing as the intended execution nears. Projects will be scoped at the five-year mark and will begin being resourced at the three-year mark. Process will enhance HTSC resource forecasting.
- Projects selected for execution will be presented, on an annual basis, to the Customers for funding.
- LRIP Tool Development is complete. Data needs to be validated by the District BLMs.



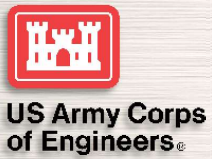
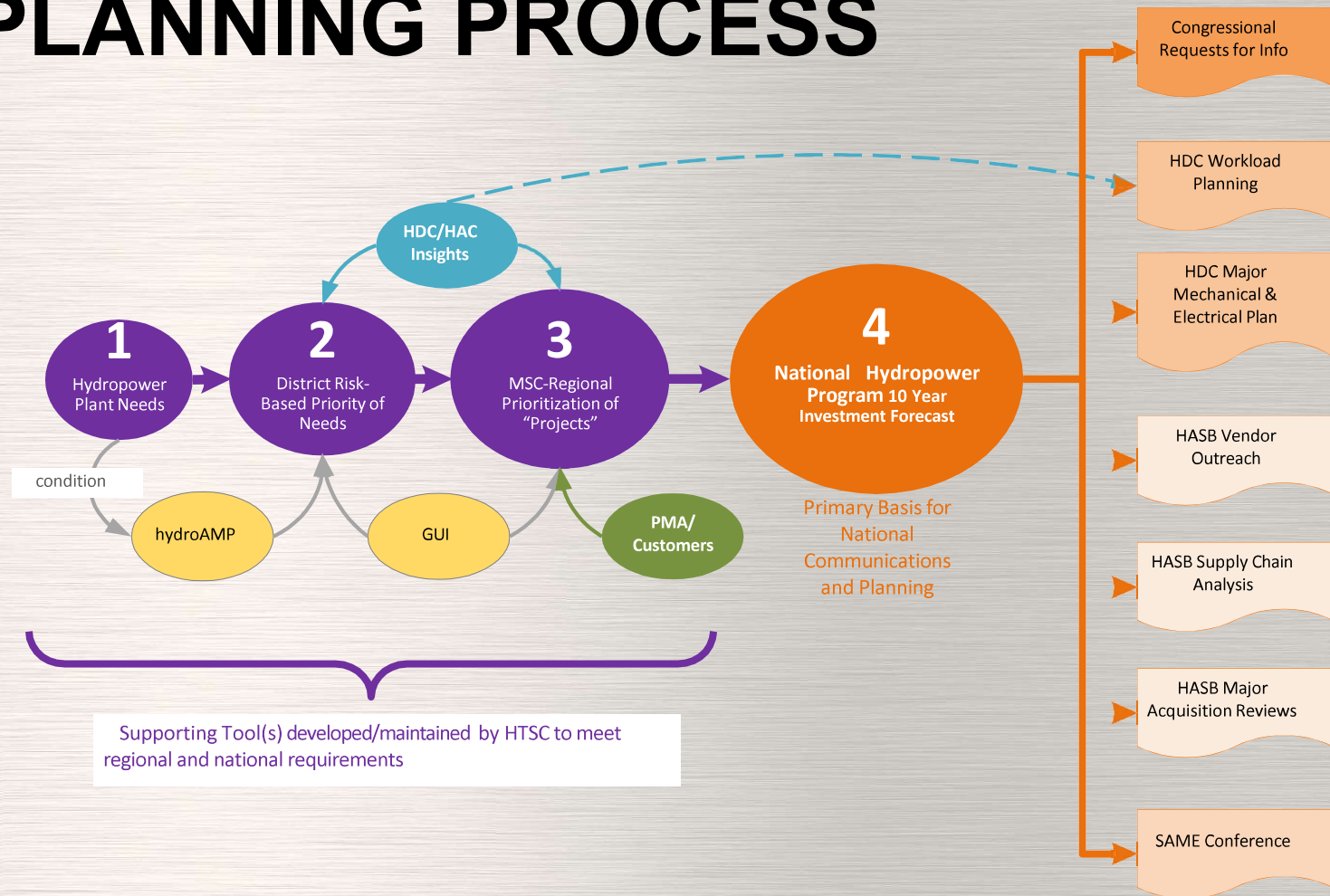
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LONG RANGE INVESTMENT PLANNING PROCESS





Questions



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