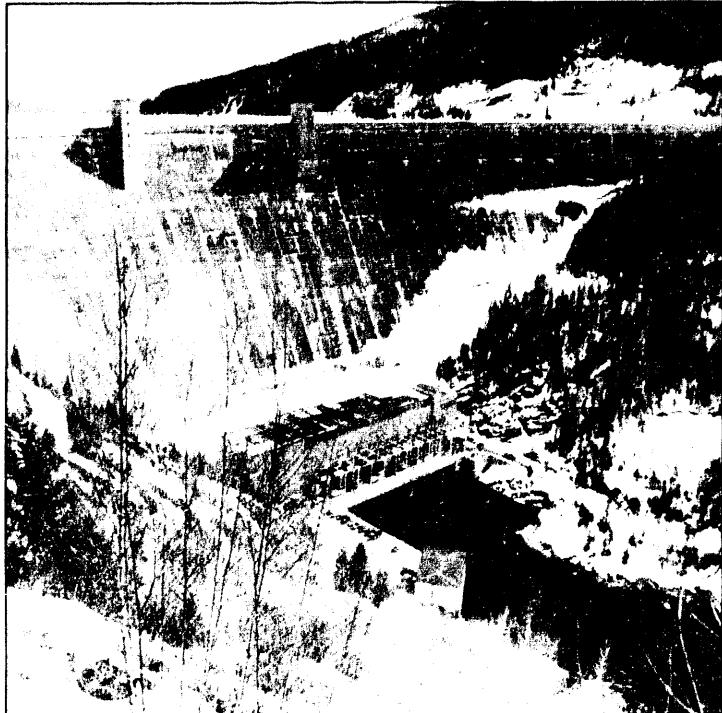


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# 1993 Wholesale Power and Transmission Rate Schedules



**Bonneville**  
POWER ADMINISTRATION

**MASTER**

October 1993

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**United States Department of Energy  
Bonneville Power Administration  
905 N. E. 11th Avenue  
Portland, Oregon 97232**

Bonneville Power Administration 1993 Wholesale Power Rate Schedules and General Rate Schedule Provisions and 1993 Transmission Rate Schedules and General Transmission Rate Schedule Provisions, contained herein, were approved on an interim basis effective October 1, 1993. These rate schedules and provisions were approved by the Federal Energy Commission, United States Department of Energy, in September, 1993 (Docket Nos. EF93-2011-000, EF93-2021-000, and EF93-2041-000).

These rate schedules and provisions supersede the Administration's Wholesale Power Rate Schedules and General Rate Schedule Provisions and Transmission Rate Schedules and General Transmission Rate Schedule Provisions effective October 1, 1991.

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**1993**

**WHOLESALE POWER RATE SCHEDULES AND  
GENERAL RATE SCHEDULE PROVISIONS**

# WHOLESALE POWER RATE SCHEDULES AND GENERAL RATE SCHEDULE PROVISIONS

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## **Schedule PF-93** **Priority Firm Power Rate**

### **SECTION I. AVAILABILITY**

This schedule is available for the contract purchase of firm power or capacity to be used within the Pacific Northwest. Priority Firm Power may be purchased by public bodies, cooperatives, and Federal agencies for resale to ultimate consumers for direct consumption, construction, test and startup, and station service.

Utilities participating in the exchange under section 5(c) of the Northwest Power Act may purchase Priority Firm Power pursuant to their Residential Purchase and Sale Agreements.

In addition, BPA may make power available to those parties participating in exchange agreements which use this rate schedule as the basis for determining the amount or value of power to be exchanged.

This schedule supersedes Schedule PF-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

### **SECTION II. RATE**

This rate schedule includes the Preference rate and the Exchange rate. The Preference rate is available for the general requirements of public body, cooperative and Federal agency customers. The Exchange rate is available for all purchases of residential and small farm exchange power pursuant to the Residential Purchase and Sale Agreements.

#### **A. Preference Rate**

##### **1. Demand Charge**

- a. \$4.141 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
- b. No demand charge during Offpeak Period hours during a billing month.

##### **2. Energy Charge**

- a. 22.17 mills per kilowatthour of billing energy for the billing months September through March.
- b. 16.29 mills per kilowatthour of billing energy for the billing months April through August.

#### **B. Exchange Rate**

##### **1. Demand Charge**

- a. \$4.141 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
- b. No demand charge during Offpeak Period hours during a billing month.

##### **2. Energy Charge**

- a. 22.17 mills per kilowatthour of billing energy for the billing months September through March.
- b. 16.29 mills per kilowatthour of billing energy for the billing months April through August.

### **SECTION III. BILLING FACTORS**

In this section, billing factors are listed for each of the following types of purchasers: computed requirements purchasers (section III.A), purchasers of residential exchange power pursuant to the Residential Purchase and Sale Agreements (section III.B), and metered requirements purchasers and those Priority Firm Power purchasers not covered by sections III.A and III.B (section III.C).

**Schedule PF-93**  
**(Continued)**

**A. Computed Requirements Purchasers**

Purchasers designated by BPA as computed requirements purchasers pursuant to power sales contracts shall be billed in accordance with the provisions of this subsection.

**1. Billing Demand**

The billing demand for actual, planned, and contracted computed requirements purchasers shall be the higher of the billing factors "a" and "b," below:

a. the lower of:

- (1) the larger of the Computed Peak Requirement or the Computed Average Energy Requirement; or
- (2) the Measured Demand, before adjustment for power factor.

b. the lower of:

- (1) the Computed Peak Requirement; or
- (2) 60 percent of the highest Computed Peak Requirement during the previous 11 billing months (Ratchet Demand).

**2. Billing Energy**

The billing energy for actual, planned, and contracted computed requirements purchasers shall be:

a. for the months September through March, the sum of:

- (1) 76 percent of the Measured Energy (excluding unauthorized increase); and

(2) 24 percent of the Computed Energy Maximum.

b. for the months April through August, the sum of:

- (1) 63 percent of the Measured Energy (excluding unauthorized increase); and
- (2) 37 percent of the Computed Energy Maximum.

**B. Purchasers of Residential Exchange Power**

Purchasers buying Priority Firm Power under the terms of a Residential Purchase and Sale Agreement shall be billed as follows:

**1. Billing Demand**

The billing demand shall be the demand calculated by applying the load factor, determined as specified in the Residential Purchase and Sale Agreement, to the billing energy for each billing period.

**2. Billing Energy**

The billing energy shall be the energy associated with the utility's residential load for each billing period. Residential load shall be computed in accordance with the provisions of the purchaser's Residential Purchase and Sale Agreement.

**C. Metered Requirements Purchasers, Other Purchasers Not Covered by Sections III.A and III.B, Above**

Purchasers designated as metered requirements customers and purchasers taking or exchanging power under this rate schedule who are not otherwise covered by sections III.A and III.B shall be billed as follows:

**Schedule PF-93**  
**(Continued)**

**1. Billing Demand**

The billing demand shall be the Measured Demand as adjusted for power factor, unless otherwise specified in the power sales contract.

**2. Billing Energy**

The billing energy shall be the Measured Energy, unless otherwise specified in the power sales contract.

**SECTION IV. ADJUSTMENTS AND SPECIAL PROVISIONS**

**A. Power Factor Adjustment**

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**B. Low Density Discount (LDD)**

BPA shall apply a discount to the charges for all Priority Firm Power sold to purchasers who are eligible for an LDD. Eligibility for the LDD and the amount of the discount (3, 5, or 7 percent) shall be determined pursuant to section III.C.3 of the GRSPs.

**C. Irrigation Discount**

BPA shall apply an irrigation discount, equal to 4.71 mills per kilowatthour, to the charges for qualifying energy purchased under this rate schedule. The irrigation discount shall be applied after calculation of the LDD. The discount shall apply only to energy purchased during the billing months of April through October. Eligibility for the irrigation discount and reporting requirements shall be determined pursuant to section III.C.4 of the GRSPs.

**D. Conservation Surcharge**

The Northwest Power Planning Council has recommended that a conservation surcharge be imposed on those customers subject to such surcharge as determined by the Administrator in accordance with BPA's Policy to Implement the Council-Recommended Conservation Surcharge. The Conservation Surcharge shall be applied pursuant to section III.C.7 of the GRSPs and subsequent to any other rate adjustments.

**E. Outage Credit**

Pursuant to section 7 of the General Contract Provisions, BPA shall provide an outage credit to any purchaser for those hours for which BPA is unable to deliver the full billing demand during that billing month due to an outage on the facilities used by BPA to deliver Priority Firm Power. Such credit shall not be provided if BPA is able to serve the purchaser's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

**F. Unauthorized Increase**

BPA shall apply the charge for Unauthorized Increase to any purchaser of Priority Firm Power

**Schedule PF-93**  
**(Continued)**

taking demand and energy in excess of its contractual entitlement.

**1. Rate for Unauthorized Increase**

- a. 100.00 mills per kilowatthour during the billing months August through March.
- b. 57.40 mills per kilowatthour during the billing months April through July.

**2. Calculation of the Amount of Unauthorized Increase**

Each 60-minute clock-hour integrated or scheduled demand shall be considered separately in determining the amount that may be considered an unauthorized increase. BPA first shall determine the amount of unauthorized increase related to demand and shall treat any remaining unauthorized increase as energy-related.

a. Unauthorized Increase in Demand

That portion of any Measured Demand during Peak Period hours, before adjustment for power factor, which exceeds the demand that the purchaser is contractually entitled to take during the billing month and which cannot be assigned:

- (1) to a class of power that BPA delivers on such hour pursuant to contracts between BPA and the purchaser; or
- (2) to a type of power that the purchaser acquires from sources other than BPA and that BPA delivers during such hour, shall be billed:

- (a) in accordance with the provisions of the "Relief from

"Overrun" exhibit to the power sales contract; or

- (b) if such exhibit does not apply or is not a part of the purchaser's power sales contract, at the rate for Unauthorized Increase, based on the amount of energy associated with the excess demand.

b. Unauthorized Increase in Energy

The amount of Measured Energy during a billing month which exceeds the amount of energy which the purchaser is contractually entitled to take during that month and which cannot be assigned:

- (1) to a class of power which BPA delivers during such month pursuant to contracts between BPA and the purchaser; or

- (2) to a type of power which the purchaser acquires from sources other than BPA and which BPA delivers during such month, shall be billed:

- (a) in accordance with the provisions of the "Relief from Overrun" exhibit to the power sales contract; or

- (b) as unauthorized increase if such exhibit does not apply or is not a part of the purchaser's power sales contract.

**G. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied uniformly to all purchases and exchanges under

**Schedule PF-93**  
**(Continued)**

the PF-93 rate schedule. If the IRA triggers, it shall be applied uniformly to the demand and energy charges contained in sections II.A and II.B of this rate schedule. The IRA shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by the demand and energy charges contained in sections II.A and II.B of this rate schedule.

An additional increment of 0.047 mills per kilowatthour shall be added to the irrigation discount described in section IV.C for each percentage increase in the PF rates due to the IRA.

**H. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charges contained in II.A.2 and II.B.2.

**I. Coincidental Billing Adjustment**

Purchasers of Priority Firm Power who are billed on a coincidental basis and who have diversity charges or diversity factors specified in their power sales contracts shall have their charges for billing demand adjusted according to the provisions of section III.C.6 of the GRSPs. Computed requirements purchasers are not subject to the Coincidental Billing Adjustment for scheduled power.

**J. Energy Return Surcharge**

Any purchaser who preschedules in accordance with sections 2(a)(4) and 2(c)(2) of Exhibit E of the power sales contract and who returns, during a single offpeak hour, more than 60 percent of the difference between that purchaser's billing demand and computed average energy requirement for the billing month shall be subject

to the following surcharge for each additional kilowatthour so returned:

1. 4.08 mills per kilowatthour for the months of April through October;
2. 1.73 mills per kilowatthour for the months of November through March.

**SECTION V. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

- A. The approximate cost contribution of different resource categories to the PF-93 rate is 72.2 percent FBS and 27.8 percent Exchange.
- B. The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C. The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

## Schedule IP-93

### Industrial Firm Power Rate

#### **SECTION I. AVAILABILITY**

This schedule is available to direct service industrial (DSI) customers for both the contract purchase of Industrial Firm Power and the purchase of Auxiliary Power if requested by the DSI customer and made available by BPA. If a DSI customer purchasing power under this rate schedule requests and BPA makes available power under another applicable wholesale rate schedule, the IP-93 rate schedule is available for that portion of power purchased not covered under the alternative rate schedule. This rate schedule supersedes Schedule IP-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

#### **SECTION II. RATE**

The following rates shall be applied when first quartile service is provided under this rate schedule in accordance with the terms of a purchaser's Power Sales Contract dated August 25, 1981. A separate billing adjustment for the reserves provided by the purchasers of Industrial Firm Power is not contained in this rate schedule; the value of reserves credit has been included in the determination of the demand and energy charges.

Any contractual reference to the IP Premium rate shall be deemed to refer to the demand and energy charges set forth below. Any reference to the IP Standard rate shall be deemed to refer to the same demand and energy charges minus the Discount for Quality of First Quartile Service.

##### **A. Demand Charge**

1. \$5.112 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
2. No demand charge during Offpeak Period hours.

##### **B. Energy Charge**

1. 21.06 mills per kilowatthour of billing energy for the billing months September through March.
2. 17.33 mills per kilowatthour of billing energy for the billing months April through August.

#### **SECTION III. BILLING FACTORS**

##### **A. Billing Demand**

The billing demand shall be the BPA Operating Level during the Peak Period as adjusted for power factor. If there is more than one BPA Operating Level during the Peak Period within a billing month, the billing demand shall be a weighted average of the BPA Operating Levels during the Peak Period for the billing month. The BPA Operating Level is defined in section III.A.10 of the GRSPs. If BPA has agreed to serve a portion of a DSI load under an alternative rate schedule, the billing demand under the IP-93 rate schedule shall be specified in the contract initiating such arrangement.

However, if BPA has agreed, pursuant to section 4 of the DSI power sales contract, to sell Industrial Firm Power on a daily demand basis (transitional service), then BPA shall bill the purchaser in accordance with the provisions of section V.C.3 of the GRSPs.

##### **B. Billing Energy**

The billing energy shall be the Measured Energy for the billing month, minus any kilowatthours on which BPA assesses the charge for unauthorized increase.

However, if BPA has agreed to serve only a portion of the DSI's load under the IP rate schedule, the billing energy for the power

## Schedule IP-93

(Continued)

purchased under the IP rate shall be specified in the contract initiating such arrangement.

### SECTION IV. ADJUSTMENTS AND SPECIAL PROVISIONS

#### A. Discount for Quality of First Quartile Service

##### 1. Application and Amount of First Quartile Discount

If a purchaser requests discounted rate service, a discount of 0.69 mills per kilowatthour of billing energy shall be granted. This billing credit shall be applied to the monthly billing energy under section III.B for all power purchased under this rate schedule. No credit shall be applied to those purchases subject to unauthorized increase charges under section IV.D of this rate schedule.

##### 2. Eligibility Requirements for First Quartile Discount

To qualify for the First Quartile Discount the purchaser must request discounted rate service in writing by April 2 of each calendar year. By virtue of making such request, the Purchaser is agreeing to accept the level and quality of First Quartile service described in section 6 of the Variable Industrial rate contract. Such acceptance includes the waiver of contract rights provided in section 6.a(2)(a) of said contract.

#### B. Curtailments

BPA shall charge the DSI for curtailments of the lower three quartiles in accordance with the provisions of section 9 of the power sales contract. BPA shall apply the demand charge in effect at the time of the curtailment in the computation of the amount of the curtailment charge. In the event that a purchaser is found to

be eligible to have a portion of their load served under an alternative rate schedule, application of the curtailment charge shall be specified in the contract instituting such arrangement.

#### C. Unauthorized Increase

##### 1. Rate for Unauthorized Increase

- a. 100.00 mills per kilowatthour during billing months August through March.
- b. 57.40 mills per kilowatthour during billing months April through July.

##### 2. Application of the Charge

During any billing month, BPA may assess the unauthorized increase charge on the number of kilowatthours associated with the DSI Measured Demand in any one 60-minute clock-hour, before adjustment for power factor, that exceed the BPA Operating Level for that clock-hour, regardless of whether such Measured Demand occurs during the Peak or Offpeak Period.

#### D. Power Factor Adjustment

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**Schedule IP-93**  
**(Continued)**

**E. Outage Credit**

Pursuant to section 7 of the General Contract Provisions, BPA shall provide an outage credit to any DSI for those hours for which BPA is unable to deliver the full billing demand during that billing month due to an outage on the facilities used by BPA to deliver Industrial Firm Power. Such credit shall not be provided if BPA is able to serve the DSI's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

**F. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied to all power purchases under the IP-93 rate schedule. If the IRA triggers, it shall be applied to the demand and energy charges, contained in sections II.A and II.B of this rate schedule, and the First Quartile Service Discount contained in section IV.A.1 of this rate schedule.

The IRA shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by the demand and energy charges contained in sections II.A and II.B of this rate schedule, and the First Quartile service discount contained in section IV.A.1 of this rate schedule.

**G. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charges contained in section II.B.

**SECTION V. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

- A.** The approximate cost contribution of different resource categories to the IP-93 rate is 85.8 percent Exchange and 14.2 percent New Resources.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

**Schedule VI-91**  
**Variable Industrial Power Rate**

**SECTION I. AVAILABILITY**

This schedule is available to DSI customers for purchases under the Power Sales Contract implementing the VI rate schedule (Variable Rate Contract) of: (1) Industrial Firm Power; and (2) Auxiliary Power if requested by the DSI customer and made available by BPA. This schedule is available only for that portion of a DSI's load used in primary aluminum reduction including associated administrative facilities, if any. By virtue of incorporation of this rate schedule and associated G<sup>E</sup>SPs in the Variable Rate Contract, DSIs electing to purchase power under this rate schedule contractually agree to the terms and conditions of this rate schedule. A DSI further agrees to waive, for that portion of their load designated to purchase power at the VI rate, all rights they might otherwise have to purchase power at the Industrial Firm Power Rate Schedule for the duration of the Variable Rate Contract. Sales under this schedule are made subject to BPA's GRSPs effective October 1, 1989, and as revised in subsequent wholesale rate filings.

**SECTION II. TERM OF THE RATE**

This rate schedule shall take effect on July 1, 1993, and shall terminate at midnight June 30, 1996.

**SECTION III. RATE**

**A. Base Rate Charges Subject to Rate Case Adjustments**

The following base rates shall be adjusted on Rate Adjustment Dates beginning October 1, 1991, following the procedures set forth in section VI.C of this rate schedule, unless the Interim Rate Adjustment triggers, at which point the rates shall be adjusted following the procedures set forth in section VI.I of this rate schedule. In addition, the Lower Rate Limit also will be subject to a biennial adjustment pursuant to section VI.B of this rate schedule. The

formula to be used in the calculation of the monthly power bill is contained in section IV. A separate billing adjustment for the value of the reserves provided by purchasers of Industrial Firm Power is not contained in this rate schedule; the value of reserves credit has been included in the determination of the Plateau Energy Charge. On July 1, 1993, the base rates, as adjusted, shall be applied to purchases by DSI customers under the Variable Rate Contract. These rates shall continue to be adjusted, as described, through June 30, 1996.

**1. Base Variable Industrial Rate**

**a. Demand Charge**

\$5.33 per kilowatt of billing demand, as adjusted, occurring during the Peak Period during a billing month. (For the rate period beginning October 1, 1993, the demand charge shall be \$5.993 per kilowatt of billing demand.) No demand charge is applied during Offpeak Period hours.

**b. Plateau Energy Charge**

16.1 mills per kilowatthour of billing energy, as adjusted. (For the rate period beginning October 1, 1993, the plateau energy charge shall be 18.11 mills per kilowatthour of billing energy.)

**2. First Quartile Service Discount**

0.50 mills per kilowatthour of billing energy. (For the rate period beginning October 1, 1993, the First Quartile service charge shall be 0.57 mills per kilowatthour of billing energy.)

**Schedule VI-91**  
**(Continued)**

**3. Lower Rate Limit**

10.3 mills per kilowatthour of billing energy.  
(For the rate period beginning October 1, 1993, the lower rate limit shall be 13.31 mills per kilowatthour of billing energy.)

**4. Upper Rate Limit**

21.9 mills per kilowatthour of billing energy.  
(For the rate period beginning October 1, 1993, the upper rate limit shall be 23.91 mills per kilowatthour of billing energy.)

**B. Base Rate Parameters Subject to Annual Adjustments**

The following base rate parameters will be adjusted annually starting on July 1, 1991, and every July 1 thereafter, in accordance with the procedures contained in section VII.B. of the GRSPs. On July 1, 1993, the base rate parameters, as adjusted, shall be used in determining power bills for DSI customers purchasing power under the Variable Rate Contracts. These parameters shall continue to be adjusted as described through June 30, 1996.

**1. Lower Pivot Aluminum Price**

68.5 cents per pound.

**2. Upper Pivot Aluminum Price**

79.6 cents per pound.

**SECTION IV. FORMULA**

The Variable Industrial Power rate is a formula rate tied to the U.S. market price of aluminum. Under this rate schedule, the monthly energy charge varies in response to changes in the average price of aluminum in U.S. markets.

**A. Demand Charge**

1. The Demand Charge, as stated in section III.A.1.a of this rate schedule, remains constant over all aluminum prices. The demand charge is applied to billing demand occurring during all Peak Period hours for all billing months.
2. No demand charge during Offpeak Period hours.

**B. Energy Charge**

**1. Plateau Energy Charge**

When the monthly billing aluminum price (described in section VII.A of the GRSPs) is between the Lower Pivot Aluminum Price and the Upper Pivot Aluminum Price inclusive (as stated in sections III.B.1 and III.B.2 of this rate schedule), the monthly energy charge shall be the Plateau Energy Charge as stated in section III.A.1.b of this rate schedule.

**2. Reductions to Plateau Energy Charge**

When the monthly billing aluminum price is less than the Lower Pivot Aluminum Price, the monthly energy charge shall be the greater of:

- a. The Plateau Energy Charge -  $(LP - MAP) * (LS)$

where:

LP = the Lower Pivot Aluminum Price as stated in section III.B.1 of this rate schedule.

**Schedule VI-91**  
**(Continued)**

MAP = the monthly billing aluminum price in cents per pound determined pursuant to section VII.A of the GRSPs

LS = lower slope =  
$$\frac{1 \text{ mill per kilowatthour}}{1 \text{ cent per pound}}$$

or

b. the Lower Rate Limit as stated in section III.A.3 of this rate schedule.

### **3. Increases to Plateau Energy Charge**

When the monthly billing aluminum price is greater than the Upper Pivot Aluminum Price, the monthly energy charge shall be the lesser of:

a. The Plateau Energy Charge + (MAP - UP) \* (US)

where:

MAP = the monthly billing aluminum price in cents per pound, as determined according to section VII.A of the GRSPs.

UP = the Upper Pivot Aluminum Price as stated in section III.B.2 of this rate schedule.

US = upper slope =  
$$\frac{0.75 \text{ mills per kilowatthour}}{1 \text{ cent per pound}}$$

b. the Upper Rate Limit, as stated in section III.A.4 of this rate schedule.

## **SECTION V. BILLING FACTORS**

### **A. Billing Demand**

#### **1. Billing Demand for Customers Whose Entire BPA Load is Served at the VI Rate**

The billing demand for power purchased shall be the BPA Operating Level during the Peak Period as adjusted for power factor. If there is more than one BPA Operating Level during the Peak Period within a billing month, the billing demand shall be a weighted average of the BPA Operating Levels during the Peak Period for the billing month. The BPA Operating Level is defined in section III.A.10 of the GRSPs.

#### **2. Billing Demand for Customers When Only a Portion of Their Total BPA Load is Served at the Variable Rate**

The Billing Demand shall be the portion of the BPA Operating Level attributable to the VI rate as determined by the method specified in the Variable Rate Contract.

#### **3. Billing Demand During Periods of Transitional Service**

If BPA has agreed, pursuant to section 4 of the DSI power sales contract, to sell Industrial Firm Power on a daily demand basis (transitional service), sections V.A.1 and V.A.2 of the rate schedule shall not apply, and BPA shall bill the purchaser in accordance with the provisions of section V.C of the GRSPs.

### **B. Billing Energy**

The billing energy for power purchased shall be the Measured Energy for the billing month, minus any kilowatthours on which BPA assesses the charge for unauthorized increase.

**Schedule VI-91**  
**(Continued)**

**SECTION VI. OTHER ADJUSTMENTS AND  
SPECIAL PROVISIONS**

**A. Lower and Upper Pivot Aluminum Prices**

Effective July 1, 1991, and every July 1 thereafter, the Lower and Upper Pivot Aluminum Prices set forth in section III.B of the rate schedule shall be adjusted following the procedures set forth in section VII.B of the GRSPs. The adjusted Lower and Upper Pivot Aluminum Prices shall supersede the Lower and Upper Pivot Aluminum Prices contained in section III.B of the rate schedule. The revised Lower and Upper Pivot Aluminum Prices shall be used for billing purposes and subsequent adjustments to the Lower and Upper Pivot Aluminum Prices.

**B. Lower Rate Limit**

On July 1, 1992, and July 1, 1994, the Lower Rate Limit as stated in section III.A.3 shall be increased by 1 mill per kilowatthour. The revised Lower Rate Limit shall supersede the Lower Rate Limit as stated in section III.A.3 of the rate schedule. This increase is in addition to rate adjustment increases in the Lower Rate Limit described in section VI.C of this rate schedule. In the event that a rate adjustment date and the annual adjustment date occur simultaneously, the Lower Rate Limit shall be adjusted first for changes in the Plateau Energy Charge pursuant to section VI.C of this rate schedule, and then increased by 1 mill per kilowatthour. The revised Lower Rate Limit shall be used for billing purposes and subsequent rate adjustments.

**C. Rate Adjustments**

The overall rate level of this rate shall be subject to adjustment in BPA's general wholesale power rate case following the procedures and directives of the Northwest Power Act. The overall rate

level consists of the Demand Charge, Plateau Energy Charge, and First Quartile Service Adjustment contained in sections III.A.1 and III.A.2; these shall be adjusted by a uniform percentage based on the percentage change in the overall rate level. The Lower and Upper Rate Limits as stated in sections III.A.3 and III.A.4 of this rate schedule shall be adjusted by an amount equal to the change, in mills per kilowatthour, in the Plateau Energy Charge. The Lower and Upper Pivot Aluminum Prices shall not be adjusted in the rate case; rather, they shall be adjusted pursuant to the procedures described in section VII.B of the GRSPs. The lower and upper slopes shall not be adjusted. The rate for unauthorized increase shall be separately determined in each rate case.

**D. Discount for Quality of First Quartile Service**

If a purchaser requests First Quartile service with other than Surplus Firm Energy Load Carrying Capability (FELCC), a discount contained in section III.A.2 of this rate schedule shall be granted. This billing credit shall be applied to the monthly billing energy under section V.B for all power purchased under this rate schedule. No credit shall be applied to those purchases subject to unauthorized increase charges under section VI.F of this rate schedule. To qualify for the First Quartile Discount, the purchaser must request discounted rate service in writing by April 2 of each calendar year. By virtue of making such request, the Purchaser is agreeing to accept the level and quality of First Quartile service described in section 6 of the Variable Industrial Rate contract. Such acceptance includes the waiver of contract rights provided in section 6.a(2)(a) of said contract.

**Schedule VI-91**  
**(Continued)**

**F. Unauthorized Increase**

**1. Rate for Unauthorized Increase**

- a. 100.00 mills per kilowatthour during the billing months August through March.
- b. 57.40 mills per kilowatthour during the billing months April through July.

**2. Application of the Charge**

During any billing month, BPA may assess the unauthorized increase charge on the number of kilowatthours associated with the DSI Measured Demand in any one 60-minute clock-hour, before adjustment for power factor, that exceed the BPA Operating Level for that clock-hour, regardless of whether such Measured Demand occurs during the Peak or Offpeak Period.

**G. Power Factor Adjustment**

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the BPA Operating Level by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**H. Outage Credit**

Pursuant to section 7 of the General Contract Provisions, BPA shall provide an outage credit to any DSI to whom BPA is unable to deliver the full billing demand during that billing month due to an outage on the facilities used by BPA to deliver Industrial Firm Power. Such credit shall not be provided if BPA is able to serve the DSI's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

**I. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied to all power purchases under the rate schedule. If the IRA triggers, it shall be applied to the VI-91 rate schedule consistent with the procedures to adjust the Variable Industrial rate and the provisions of the Variable Rate Contract. A uniform adjustment will be made only if it causes demand and Plateau Energy charges and the First Quartile Service Discount to increase.

The Interim Rate Adjustment shall be applied in the following manner:

$[1 + (IRA\% / 100)]$  multiplied by the demand and Plateau energy charges contained in section III.A.1 of this rate schedule and to the First Quartile Service Discount specified in Section III.A.2 of this rate schedule.

The Lower and Upper Rate Limits stated in sections III.A.3 and III.A.4 of this rate schedule shall be adjusted by an amount equal to the change, in mills per kilowatt-hour, to the Plateau Energy charge due to application of the Interim Rate Adjustment. The adjusted rate parameters shall be used for billing purposes and supersede the rate charges subject to the adjustment contained in section III.A of this rate schedule.

**Schedule VI-91  
(Continued)**

The adjusted rate parameters shall also be used in subsequent rate adjustments pursuant to section III.B of this rate schedule and to subsequent biennial adjustments to the lower rate limit pursuant to section VI.B of this rate schedule.

**J. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as outlined in section III.A.

**SECTION VII. RESOURCE COST  
CONTRIBUTION**

BPA has made the following determinations:

- A.** The approximate cost contribution of different resource categories to the VI-91 rate is 85.8 percent Exchange and 14.2 percent New Resources.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

**Schedule SI-93**  
**Special Industrial Power Rate**

**SECTION I. AVAILABILITY**

This rate schedule is available to any DSI purchaser using raw minerals indigenous to the region as its primary resource and qualifying for this special power pursuant to the procedures established in section 7(d)(2) of the Northwest Power Act. This schedule is available for the contract purchase of this special class of industrial power and also for the purchase of Auxiliary Power if requested by the DSI and made available by BPA. Schedule SI-93 supersedes schedule SI-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

**SECTION II. RATE**

A separate billing adjustment for the value of the reserves provided by purchasers of this special class of Industrial Power is not contained in the rate schedule; the adjustment is reflected in the Special Industrial Power Rate charges.

**A. Demand Charge**

1. \$3.680 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
2. No demand charge during Offpeak Period hours.

**B. Energy Charge**

1. 20.38 mills per kilowatthour of billing energy for the billing months September through March;
2. 14.50 mills per kilowatthour of billing energy for the billing months April through August.

**SECTION III. BILLING FACTORS**

**A. Billing Demand**

The billing demand for power purchased under the Standard Special Industrial Power rate shall be the BPA Operating Level during the Peak Period as adjusted for power factor. If there is more than one BPA Operating Level during the Peak Period within a billing month, the billing demand shall be a weighted average of the Peak Period BPA Operating Levels for the billing month. The BPA Operating Level is defined in section III.A.10 of the GRSPs.

However, if BPA has agreed, pursuant to section 4 of the direct service industrial power sales contract, to sell Special Industrial Power on a daily demand basis (transitional service), BPA shall instead bill the purchaser in accordance with the provisions of section V.C of the GRSPs.

**B. Billing Energy**

The billing energy under the Special Industrial rate shall be the Measured Energy for the billing month, minus any kilowatthours on which BPA assesses the charge for unauthorized increase.

**SECTION IV. ADJUSTMENTS AND SPECIAL PROVISIONS**

**A. Curtailments**

BPA shall charge the DSI for curtailments in accordance with the provisions of the DSI's power sales contract. Any curtailment charge levied shall be computed using the Special Industrial Power rate.

**Schedule SI-93**  
**(Continued)**

**B. Unauthorized Increase Charge**

**1. Rate for Unauthorized Increase**

- a. 100.00 mills per kilowatthour during billing months August through March.
- b. 57.40 mills per kilowatthour during billing months April through July.

**2. Application of the Charge**

During any billing month, BPA may assess the unauthorized increase charge on the number of kilowatthours associated with the DS1 Measured Demand in any one 60-minute clock-hour, before adjustment for power factor, that exceed the BPA Operating Level for that clock-hour, regardless of whether such Measured Demand occurs during the Peak or Offpeak Period.

**C. Power Factor Adjustment**

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment for service under the Special Industrial Power rate, BPA shall increase the billing demand by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**D. Outage Credit**

Pursuant to section 7 of the General Contract Provisions, BPA shall provide an outage credit to any purchaser for those hours for which BPA is unable to deliver the full billing demand during that billing month due to an outage on the facilities used by BPA to deliver Special Industrial Power. Such credit shall not be provided if BPA is able to serve the purchaser's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

**E. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied to all power purchases under the IP-93 rate schedule. If the IRA triggers, the SI-93 rate will be recalculated based upon the adjusted PF-93 rate, but the credit for the value of reserves will not be adjusted by the IRA. Application of the IRA shall result in a uniform adjustment applied to the demand and energy charges, contained in sections II.A and II.B of this rate schedule, and the First Quartile Service Discount contained in section IV.A.1 of this rate schedule.

The IRA shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by the demand and energy charges contained in sections II.A and II.B of this rate schedule, and the First Quartile service discount contained in section IV.A.1 of this rate schedule.

**F. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charges contained in section III.B.

**Schedule SI-93  
(Continued)**

**SECTION V. RESOURCE COST  
CONTRIBUTION**

BPA has made the following determinations:

- A.** The SI-93 rate is not based on the cost of resources.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

## **Schedule CE-93 Emergency Capacity Rate**

### **SECTION I. AVAILABILITY**

This schedule is available for the purchase of capacity provided the purchaser requests such capacity and BPA has determined that capacity is available for such purpose. This schedule is available when:

- A. an emergency exists on the purchaser's system, or
- B. the purchaser wishes to displace higher-cost firm capacity resources which are otherwise available to meet the purchaser's load.

This schedule supersedes Schedule CE-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions.

### **SECTION II. RATE**

#### **A. Demand Charge**

As mutually agreed by BPA and the purchaser, up to \$0.309 per kilowatt of demand per calendar day or portion thereof.

#### **B. Intertie Charge**

The demand charge specified above shall be increased by \$0.042 per kilowatt per day for capacity made available at the Oregon-California or Oregon-Nevada border for delivery over the Pacific Northwest-Pacific Southwest (Southern) Intertie.

### **SECTION III. BILLING FACTORS**

The billing demand shall be the maximum amount requested by the purchaser and made available by BPA during a calendar day. If BPA is unable to meet subsequent requests by a purchaser for delivery at the demand previously established during such day, the

billing demand for that day shall be the lower demand which BPA is able to supply.

### **SECTION IV. BILLING PERIOD**

Bills shall be rendered monthly.

### **SECTION V. SPECIAL PROVISION**

Energy delivered with such capacity shall be returned to BPA within 7 days of the date of delivery and shall be returned at times and rates of delivery agreed to by both the purchaser and BPA prior to delivery. BPA may agree to accept the return energy after the normal 7 day return period provided that such delay has been mutually agreed upon prior to delivery.

### **SECTION VI. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

- A. The approximate cost contribution of different resource categories to the CE-93 rate is 85.8 percent Exchange and 14.2 percent New Resources.
- B. The forecasted average cost of resources available to BPA under average water conditions is 19.6 mills per kilowatthour.
- C. The forecasted cost of resources to meet load growth is 55.7 mills per kilowatthour.

**Schedule NR-93**  
**New Resource Firm Power Rate**

## **SECTION I. AVAILABILITY**

This schedule is available for the contract purchase of firm power or capacity to be used within the Pacific Northwest. New Resource Firm Power is available to investor-owned utilities (IOUs) under net requirements contracts for resale to ultimate consumers, direct consumption, or use in construction, test and start up, and station service. New Resource Firm Power also is available to any public body, cooperative, or Federal agency to the extent such power is needed to serve any New Large Single Load. In addition, BPA may make this rate available to those parties participating in exchange agreements that use this rate schedule as the basis for determining the amount or value of power to be exchanged. This schedule supersedes Schedule NR-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

## **SECTION II. RATE**

### **A. Demand Charge**

1. \$5.151 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
2. No demand charge during Offpeak Period hours.

### **B. Energy Charge**

1. 27.56 mills per kilowatthour of billing energy for the billing months September through March.
2. 24.13 mills per kilowatthour of billing energy for the billing months April through August.

## **SECTION III. BILLING FACTORS**

In this section billing factors are listed for computed requirements purchasers (section III.A), metered requirements purchasers, and those purchasers not covered by section III.A (section III.B).

### **A. Computed Requirements Purchasers**

Purchasers designated by BPA as computed requirements purchasers pursuant to power sales contracts shall be billed in accordance with the provisions of this section.

#### **1. Billing Demand**

The billing demand for actual, planned, and contracted computed requirements purchasers shall be the higher of the billing factors "a" and "b," below:

- a. the lower of:
  - (1) the larger of the Computed Peak Requirement or the Computed Average Energy Requirement; or
  - (2) the Measured Demand, before adjustment for power factor.
- b. the lower of:
  - (1) the Computed Peak Requirement; or
  - (2) 60 percent of the highest Computed Peak Requirement during the previous 11 billing months (Ratchet Demand).

**Schedule NR-93**  
**(Continued)**

**2. Billing Energy**

The billing energy for actual, planned, and contracted computed requirements purchasers shall be:

- a. for the months September through March, the sum of:
  - (1) 55 percent of the Measured Energy; and
  - (2) 45 percent of the Computed Energy Maximum.
- b. for the months April through August, the sum of:
  - (1) 43 percent of the Measured Energy; and
  - (2) 57 percent of the Computed Energy Maximum.

**B. Metered Requirements Purchasers and Other Purchasers Not Covered By Section III.A, Above**

Purchasers designated as metered requirements customers and purchasers taking power under this rate schedule who are not otherwise covered by section III.A shall be billed as follows:

**1. Billing Demand**

The billing demand shall be the Measured Demand as adjusted for power factor, unless otherwise specified in the power sales contract. However, purchasers who previously used the Firm Energy rate schedule, FE-2, either in the computation of their power bills or in the determination of the value of an exchange account, shall not be charged for demand under this rate schedule.

**2. Billing Energy**

The billing energy shall be the Measured Energy, unless otherwise specified in the power sales contract.

**SECTION IV. ADJUSTMENTS AND SPECIAL PROVISIONS**

**A. Power Factor Adjustment**

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**B. Irrigation Discount**

BPA shall apply an irrigation discount, equal to 4.71 mills per kilowatthour, to the charges for qualifying energy purchased under this rate schedule. The discount shall apply only to energy purchased during the billing months of April through October. Eligibility for the irrigation discount and reporting requirements shall be determined pursuant to section III.C.4 of the GRSPs.

**Schedule NR-93**  
**(Continued)**

**C. Conservation Surcharge**

The Conservation Surcharge shall be applied in accordance with section III.C.7 of the GRSPs and subsequent to any other rate adjustments.

**D. Unauthorized Increase**

BPA shall apply the charge for Unauthorized Increase to any purchaser of New Resource Firm Power taking demand and/or energy in excess of its contractual entitlement.

**1. Rate for Unauthorized Increase**

- a. 100.00 mills per kilowatthour during billing months August through March.
- b. 57.40 mills per kilowatthour during billing months April through July.

**2. Calculation of the Unauthorized Increase**

Each 60-minute clock-hour integrated or scheduled demand shall be considered separately in determining the amount which may be considered an unauthorized increase. BPA shall first determine the amount of unauthorized increase related to demand and shall then treat any remaining unauthorized increase as energy-related.

**a. Unauthorized Increase in Demand**

That portion of any Measured Demand during Peak Period hours, before adjustment for power factor, that exceeds the demand which the purchaser is contractually entitled to take during the billing month and that cannot be assigned:

- (1) to a class of power which BPA delivers on such hour pursuant to

contracts between BPA and the purchaser; or

- (2) to a type of power which the purchaser acquires from sources other than BPA and which BPA delivers during such hour, shall be billed:
  - (a) in accordance with the provisions of the "Relief from Overrun" exhibit to the power sales contract; or
  - (b) if such exhibit does not apply or is not a part of the purchaser's power sales contract, at the rate for Unauthorized Increase, based on the amount of energy associated with the excess demand.

**b. Unauthorized Increase in Energy**

The amount of Measured Energy during a billing month that exceeds the amount of energy which the purchaser is contractually entitled to take during that month and that cannot be assigned:

- (1) to a class of power that BPA delivers during such month pursuant to contracts between BPA and the purchaser; or
- (2) to a type of power that the purchaser acquires from sources other than BPA and that BPA delivers during such month, shall be billed:
  - (a) in accordance with the provisions of the "Relief from Overrun" exhibit to the power sales contract, or

**Schedule NR-93**  
**(Continued)**

(b) as unauthorized increase if such exhibit does not apply or is not a part of the purchaser's power sales contract.

1. 4.08 mills per kilowatthour for the months of April through October; and
2. 1.73 mills per kilowatthour for the months of November through March.

**E. Coincidental Billing Adjustment**

Purchasers of New Resource Firm Power who are billed on a coincidental basis and who have diversity charges or diversity factors specified in their power sales contracts shall have their charges for billing demand adjusted according to the provisions of section III.C.6 of the GRSPs. Computed requirements purchasers are not subject to the Coincidental Billing Adjustment for scheduled power.

**F. Outage Credit**

Pursuant to section 7 of the General Contract Provisions, BPA shall provide an outage credit to any purchaser for those hours for which BPA is unable to deliver the full billing demand during the billing month due to an outage on the facilities used by BPA to deliver New Resource Firm Power. Such credit shall not be provided if BPA is able to serve the purchaser's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

**G. Energy Return Surcharge**

Any purchaser who preschedules in accordance with sections 2(a)(4) and 2(c)(2) of Exhibit E of the Power Sales contract and who returns, during a single offpeak hour, more than 60 percent of the difference between that purchaser's billing demand and estimated computed average energy requirement for the billing month shall be subject to the following surcharge for each additional kilowatthour so returned:

**H. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied to all power purchases under the NR-93 rate schedule. If the IRA triggers, it shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by the demand and energy charges contained in sections II.A and II.B of this rate schedule.

An additional increment of 0.047 mills per kilowatthour shall be added to the irrigation discount described in section IV.C for each percentage increase in the PF rates due to the IRA.

**I. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charges contained in section II.B.

**SECTION V. RESOURCE COST  
CONTRIBUTION**

BPA has made the following determinations:

- A. The approximate cost contribution of different resource categories to the NR-93 rate is 89.7 percent Exchange and 10.3 percent New Resources.
- B. The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C. The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

## Schedule SP-93

### Surplus Firm Power Rate

#### **SECTION I. AVAILABILITY**

This rate schedule is available for the purchase of Surplus Firm Power for the period ending September 30, 1998, including purchases under the Western Systems Power Pool (WSPP) agreements. BPA is not obligated to make power or energy available under this rate schedule if such power or energy would displace sales under the IP-93, VI-91, PF-93, or NR-93 rate schedules. Schedule SP-93 supersedes schedule SP-91 and associated General Rate Schedule Provisions (GRSPs). Sales under this schedule are made subject to BPA's GRSPs.

#### **SECTION II. RATE**

##### **A. Contract Rate**

###### **1. Demand Charge**

- a. For contracts that specify 12 months of service per year, \$61.812 per kilowatt per year of Contract Demand billed monthly at the rate of \$5.151 per kilowatt of Contract Demand occurring during all Peak Period hours in each billing month.
- b. For contracts that specify service for fewer than 12 months per year, the monthly demand charge shall be assessed only for the specified service months at the rate of \$5.151 per kilowatt of Billing Demand occurring during the Peak Period plus:

$\$5.151 * (12 - \text{specified service months}) * .25$   
specified service months

- c. No demand charge during Offpeak Period hours.

###### **2. Energy Charge**

26.30 mills per kilowatthour of billing energy.

###### **B. Flexible Rate**

Energy charges or demand and energy charges may be specified at a higher or lower average rate as mutually agreed by BPA and the purchaser. In no case shall the rate exceed 100 percent of the fixed and variable unit costs of generation and transmission of BPA's highest cost resource including exchange resources. No resource cost determination is needed for sales at less than or equal to the Contract rate.

###### **C. Intertie Charge**

Rates in sections II.A and II.B that equal or exceed the Contract rate shall be increased by the following charges for transactions over the Pacific Northwest-Pacific Southwest Intertie.

1. \$.706 per kilowatt per month of billing demand and
2. 1.69 mills per kilowatthour of billing energy.

Rates in section II.B having an energy-only charge that equals or exceeds 33.36 mills per kilowatthour shall be increased by 3.11 mills per kilowatthour for transactions over the Pacific Northwest-Pacific Southwest Intertie.

#### **SECTION III. BILLING FACTORS**

The billing factors shall be the Measured Demand and Measured Energy, unless otherwise specified in the contract.

**Schedule SP-93**  
**(Continued)**

**SECTION IV. ADJUSTMENTS AND  
SPECIAL PROVISIONS**

**A. Power Factor Adjustment**

The adjustment for power factor for BPA customers that are billed for Surplus Firm Power on metered amounts, when specified in this rate schedule or in the contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand or energy by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**B. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied uniformly to all purchases and exchanges under the SP-93 rate schedule. If the IRA triggers, it shall be applied uniformly to the demand and energy charges contained in sections II.A.1 and II.A.2 of this rate schedule.

Long-term contracts for the sale of surplus power that contain charges that escalate based on other BPA rates that are subject to the IRA will reflect the changes to those due to the IRA.

The IRA shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by the demand and energy charges contained in Sections II.A.1 and II.A.2 of this rate schedule.

**H. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charges contained in section II.A.2.

**SECTION V. RESOURCE COST  
CONTRIBUTION**

BPA has made the following determinations:

- A.** The approximate cost contribution of different resource categories to the SP-93 rate is 89.0 percent Exchange and 11.0 percent New Resources.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

## **Schedule NF-93** **Nonfirm Energy Rate**

### **SECTION I. AVAILABILITY**

This schedule is available for the purchase of nonfirm energy to be used both inside and outside the United States including sales under the Western Systems Power Pool (WSPP) agreements and sales to consumers. This schedule also applies to energy delivered for emergency use under the conditions set forth in section V.A of the General Rate Schedule Provisions (GRSPs). BPA is not obligated to offer nonfirm energy to any purchaser that results in displacement of firm power purchases under BPA's Power Sales Contracts. The offer of nonfirm energy under this schedule shall be determined by BPA. Schedule NF-93 supersedes Schedule NF-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's GRSPs.

### **SECTION II. RATES**

The average cost of nonfirm energy is 22.41 mills per kilowatthour. The NF-93 rate schedule provides for upward and downward pricing flexibility from this average nonfirm energy cost. All rates and any subsequent adjustments contained in this rate schedule shall not exceed in total the NF Rate Cap defined in section IV.C of the GRSPs.

#### **A. Standard Rate**

The Standard rate is any offered rate not to exceed 26.89 mills per kilowatthour.

#### **B. Market Expansion Rate**

The Market Expansion rate is any offered rate below the Standard rate in effect. BPA may have one or more Market Expansion rates in effect simultaneously.

#### **C. Incremental Rate**

The Incremental rate is the Incremental Cost of energy plus 2.00 mills per kilowatthour, where

the Incremental Cost is defined as all identifiable costs (expressed in mills per kilowatthour) that BPA would have avoided had it not produced or purchased the energy being sold under this rate.

#### **D. Contract Rate**

The Contract rate is 14.26 mills per kilowatthour of billing energy.

### **SECTION III. ADJUSTMENTS TO RATES**

#### **A. Guaranteed Delivery Surcharge**

A surcharge of 2.00 mills per kilowatthour of billing energy is applied to guaranteed delivery of nonfirm energy under the Standard rate and Market Expansion rate.

#### **B. Intertie Charge**

The Intertie Charge, on rate offers under any of the rates specified above, for sales of nonfirm energy scheduled for delivery over the Pacific Northwest-Pacific Southwest Intertie shall be:

1. inapplicable for rate offers of less than 22.41 mills per kilowatthour;
2. at the discretion of BPA, from zero through 3.11 mills per kilowatthour, for rate offers of 22.41 mills per kilowatthour; or
3. 3.11 mills per kilowatthour, for rate offers greater than 22.41 mills per kilowatthour.

### **SECTION IV. BILLING FACTORS**

The billing energy for nonfirm energy purchased under this rate schedule shall be the Measured Energy unless otherwise specified by contract.

**Schedule NF-93**  
**(Continued)**

**SECTION V. APPLICATION AND  
ELIGIBILITY**

Any time that BPA has nonfirm energy for sale, the Standard rate, the Market Expansion rate, the Incremental rate, the Contract rate, or a combination of these rates may be in effect.

**A. Standard Rate**

The Standard rate:

1. is available for all purchases of nonfirm energy; and
2. applies to nonfirm energy purchased pursuant to the Relief from Overrun Exhibit to the power sales contract.

**B. Market Expansion Rate**

**1. Application of the Market Expansion rate**

The Market Expansion rate applies when BPA determines that all markets at the Standard rate have been satisfied and BPA offers additional nonfirm energy.

**2. Market Expansion Rate Qualification Criteria**

In order to purchase nonfirm energy at the Market Expansion rate, a purchaser must:

- a. have a displaceable resource, displaceable purchase of electricity, or
- b. be an end-user load with a displaceable alternative fuel source.

In addition, a purchaser must demonstrate one of the following:

- a. shutdown or reduction of the output of the displaceable resource in an amount equal to the amount of Market Expansion rate energy purchased; or
- b. reduction of a displaceable purchase and the output of the resource associated with that purchase, in an amount equal to the amount of Market Expansion rate energy purchased; or
- c. shutdown or reduction of the identified output of the resource(s) indirectly in an amount equal to the amount of Market Expansion rate energy purchased (for example, the purchase may be used to run a pumped storage unit); or
- d. decrease of an end-user alternate fuel source in an amount equivalent to the amount of Market Expansion rate energy purchased.

**3. Eligibility Criteria for Market Expansion rate**

- a. When only one Market Expansion rate is offered:

Purchasers qualifying under section V.B.2 who purchased nonfirm energy directly from BPA are eligible to purchase power under the Market Expansion rate offered if the decremental cost of the qualifying resource, purchase, or qualifying alternative fuel source is lower than the Standard rate in effect plus 2.0 mills per kilowatthour.

Purchasers qualifying under section V.B.2 who purchase nonfirm energy through a third party are eligible to purchase power under the Market Expansion rate offered if the cost of the qualifying alternative fuel source is

**Schedule NF-93**  
**(Continued)**

lower than the Standard rate in effect plus 4.0 mills per kilowatthour.

b. When more than one Market Expansion rate is offered:

Purchasers qualifying under section V.B.2 who purchase nonfirm energy directly from BPA are eligible to purchase power under the Market Expansion rate if the decremental cost of the qualifying resource, purchase, or qualifying alternative fuel source is lower than the Standard rate in effect plus 2.00 mills per kilowatthour. The rate applicable to a purchaser shall be the highest Market Expansion rate offered that is below the purchaser's qualifying decremental cost minus 2.00 mills per kilowatthour.

Purchasers qualifying under section V.B.2 who purchase nonfirm energy through a third party are eligible to purchase power under the Market Expansion rate if the decremental cost of the qualifying alternative fuel source is lower than the Standard rate plus 4.00 mills per kilowatthour. The rate applicable to a purchaser shall be the highest Market Expansion rate offered that is below purchaser's qualifying decremental cost minus 4.0 mills per kilowatthour.

**C. Incremental Rate**

The Incremental rate applies to sales of energy:

1. that is produced or purchased by BPA concurrently with the nonfirm energy sale;
2. that BPA may at its option not produce or purchase; and
3. that has an Incremental Cost greater than the Standard rate (plus the Intertie Charge, if applicable) less 2.00 mills per kilowatthour.

**D. Contract Rate**

The Contract rate applies to contracts (except power sales contracts offered pursuant to sections 5(b), 5(c), and 5(g) of the Northwest Power Act) that refer to the Contract rate:

1. for the sale of nonfirm energy; or
2. for determining the value of energy.

**E. Western Systems Power Pool Transactions (WSPP)**

BPA may make available nonfirm energy for transactions under the WSPP agreement. WSPP sales shall be subject to the terms and conditions specified in the WSPP agreement and shall be consistent with regional and public preference. The rate for transactions under the WSPP agreement is any rate within the limits specified by the Standard, Market Expansion, and Incremental rates but may not exceed the maximum rate specified in the WSPP Agreement. The rate for WSPP sales may differ from the actual rate offered for non-WSPP transactions in any hour. The rate for WSPP transactions is independent of any other rate offered concurrently under this rate schedule outside that agreement.

**F. End-User Rate**

BPA may agree to a rate or rate formula for nonfirm energy purchases by end-users. Such rate or rate formula shall be within the limits specified for the Standard and Market Expansion rates but may differ from the actual rates offered during any hour.

**Schedule NF-93**  
**(Continued)**

## **SECTION VI. DELIVERY**

### **A. Rate of Delivery**

BPA shall determine the amount of nonfirm energy to be made available for each hour. Such determination shall be made for each applicable nonfirm energy rate.

### **B. Guaranteed Delivery**

#### **1. Availability**

BPA will determine the amount and duration of nonfirm energy to be offered on a guaranteed basis. Such daily or hourly amounts may be as small as zero or as much as all the nonfirm energy that BPA plans to offer for sale on such days.

#### **2. Conditions**

Scheduled amounts of guaranteed nonfirm energy may not be changed except:

- a. when BPA and the purchaser mutually agree to increase or decrease the scheduled amounts; or
- b. when BPA must reduce nonfirm energy deliveries in order to serve firm loads because of unexpected generation or transmission losses.

## **SECTION VII ADJUSTMENTS AND SPECIAL PROVISIONS**

### **A. Interim Rate Adjustment**

The Interim Rate Adjustment (IRA) described in section III.C.5 of the GRSPs shall be applied to the maximum standard rate under the NF-93 rate schedule. If the IRA triggers, it shall be applied to the NF-93 rate schedule. Application of the IRA shall result in a new maximum Standard

rate, contained in section II.A of this rate schedule.

The IRA shall be applied in the following manner:

$[1 + (\text{IRA\%} / 100)]$  multiplied by 26.89 mills per kilowatthour.

### **B. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charge of all purchases under the NF-93 rate.

## **SECTION VIII. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

- A. The approximate cost contribution of different resource categories to the average cost of nonfirm energy is 92.7 percent FBS and 7.3 percent New Resources.
- B. The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C. The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

**Schedule SS-93**  
**Share-The-Savings Rate**

**SECTION I. AVAILABILITY**

This rate schedule is available for the contract purchase of Nonfirm Energy under an experimental rate and is limited to the term of the rate experiment. Nonfirm Energy will be made available under this rate schedule for use both inside and outside the United States for the displacement of a qualifying resource, displaceable purchase of electricity, or end-user load that can be served with alternate fuel sources. This rate schedule is only available to purchasers who execute a contract with BPA specifying use of the Share-the-Savings Rate. BPA is not obligated to offer Nonfirm Energy to any purchaser that results in displacement of firm power purchases under BPA's Power Sales Contracts. Schedule SS-93 supersedes Schedule SS-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

**SECTION II. RATE**

The rate shall be a formula rate based solely or in part on decremental cost information submitted by the purchaser. The rate formula and decremental cost, for purposes of establishing charges under this rate schedule, shall be defined in the applicable contract. The rate formula agreed upon by BPA and the purchaser shall in no event result in a rate higher than the NF Rate Cap defined in section IV.C of the GRSPs or lower than 1.00 mill per kilowatthour.

**SECTION III. BILLING FACTOR**

The billing energy for Nonfirm Energy purchased under this rate schedule shall be the Measured Energy unless otherwise specified in the Share-the-Savings rate contract.

**SECTION IV. APPLICATION AND ELIGIBILITY**

**A. General Requirements**

In order to purchase Nonfirm Energy under the Share-the-Savings Rate, the purchaser must:

1. have executed a contract specifying application of the Share-the-Savings Rate Schedule, and
2. have a displaceable resource, displaceable purchase of electricity, or be an end-user load with a displaceable alternate fuel source. End-user loads with alternate fuel sources may not use the Decremental Cost of a displaceable purchase of electricity to qualify for this rate.

**B. BPA Service Priority**

Offers of Nonfirm Energy under this rate schedule shall be made pursuant to the terms and conditions set forth in the Share-the-Savings rate contract. BPA will sell Nonfirm Energy under this rate schedule consistent with regional and public preference.

**SECTION V. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

- A. The SS-93 rate is not based on the cost of BPA resources.
- B. The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C. The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

**Schedule PS-93**  
**Power Shortage Rate Schedule**

**SECTION I. AVAILABILITY**

This schedule is available inside the Pacific Northwest for the purchase of Shortage Power to a utility when a shortage exists on its system and the utility requests Shortage Power under this rate schedule, or when Shortage Power is being delivered to a utility as the result of statewide or regionwide curtailment. This schedule is also available for sales under the Share-the-Shortage agreement, or a similar substitute agreement.

This rate schedule is also available inside the Pacific Northwest when BPA arranges for purchase energy at the request of a customer.

BPA is not obligated to make Shortage Power available or broker power under this rate schedule unless specified by contract. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions.

**SECTION II. RATES**

**A. Power Rate**

The power rate is any offered rate not to exceed 100.00 mills per kilowatthour. The offered rate may be specified as an energy charge only or as demand and energy charges.

**B. Brokering Rate**

The brokering rate may be up to 1.00 mill per kilowatthour for services provided when BPA arranges for energy purchases for a customer from a seller other than BPA.

**SECTION III. BILLING FACTORS**

The billing factors shall be:

**A. Power Purchases**

The factors to be used in determining the billings for power purchases under this rate schedule are as follows:

**1. Billing Demand**

The billing demand shall be the Contract Demand as specified in the contract initiating such arrangement or as mutually agreed to by the parties. Otherwise the billing demand shall be the Measured Demand as adjusted for power factor.

**2. Billing Energy**

The billing energy shall be the Contract Energy as specified in the contract initiating such arrangement or as mutually agreed to by the parties. Otherwise the billing energy shall be the Measured Energy.

**B. Brokering Services**

When BPA arranges for energy purchases at the request of a customer, the purchaser shall be billed for such services based on the total amount of kilowatthours purchased.

**SECTION IV. ADJUSTMENTS AND SPECIAL PROVISIONS**

**A. Power Factor Adjustment**

The adjustment for power factor for BPA customers that are billed for shortage power on metered amounts, when specified in this rate schedule or in the contracts, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at

**Schedule PS-93**  
**(Continued)**

which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing energy by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

**B. Power Brokering**

The charge for power brokering only applies to the service provided by BPA of finding purchased power for a customer from a seller other than BPA. BPA may agree to provide other services in addition to finding purchased power, but these services shall be billed separately at charges specified in the appropriate rate schedule(s) or agreement(s). Such services may include, but are not limited to, wheeling and load shaping.

**C. Share-the-Shortage Transactions**

In the event a Share-the-Shortage type agreement is executed, BPA may make shortage power available to participants under such agreement. Any transactions entered into by BPA pursuant to the Share-the-Shortage agreement shall be subject to the terms and conditions specified in that agreement. The PS-93 rate does not incorporate the agreement but the agreement controls if there is any conflict between the PS-93 rate and the agreement. The rate for transactions under the Share-the-Shortage agreement is any rate within the limits specified by the power rate but may not exceed the maximum rate specified in the agreement. The rate for Share-the-Shortage transactions is independent of any rate offered under this rate schedule for sales that do not fall under the agreement. The PS-93 power rate shall not be

available for transactions with a party who triggers the Share-the-Shortage agreement if BPA elects to meet its required service obligations under the agreement by entering into an alternative agreement.

**D. Energy Tax Adjustment**

The Energy Tax Adjustment described in section III.C.8 of the GRSPs shall be applied as a uniform mills per kilowatthour addition to the energy charge of all purchase under the PS-93 rate.

**SECTION V. RESOURCE COST  
CONTRIBUTION**

BPA has made the following determinations:

- A.** The approximate cost contribution of different resource categories to the PS-93 rate is based upon the BPA's highest cost resource which currently is an FBS resource.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

**Schedule RP-93**  
**Reserve Power Rate**

## **SECTION I. AVAILABILITY**

This schedule is available for the purchase of power:

- A. in cases where a purchaser's power sales contract states that the rate for Reserve Power shall be applied;
- B. for which BPA determines no other rate schedule is applicable; or
- C. to serve a purchaser's firm power load in circumstances where BPA does not have a power sales contract in force with such purchaser, and BPA determines that this rate should be applied.

This rate schedule may be applied to power purchased by entities outside the United States. This rate schedule supersedes Schedule RP-91 which went into effect on October 1, 1991. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

## **SECTION II. RATE**

### **A. Demand Charge**

1. \$3.640 per kilowatt of billing demand occurring during all Peak Period hours during a billing month.
2. No demand charge during Offpeak Period hours.

### **B. Energy Charge**

25.30 mills per kilowatthour of billing energy.

## **SECTION III. BILLING FACTORS**

The factors to be used in determining the billing for power purchased under this rate schedule are as follows:

### **A. Billing Demand**

If applicable, the billing demand shall be the Contract Demand as specified in the power sales contract. Otherwise the billing demand shall be the Measured Demand as adjusted for power factor.

### **B. Billing Energy**

The billing energy shall be the Contract Demand multiplied by the number of hours in the billing month, if use of the Contract Demand for determining billing energy is specified in the power sales contract. Otherwise the billing energy for such purchasers shall be the Measured Energy.

## **SECTION IV. POWER FACTOR ADJUSTMENT**

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the GRSPs. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand by 1 percentage point for each percentage point or major fraction thereof (0.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

## **SECTION V. RESOURCE COST CONTRIBUTION**

BPA has made the following determinations:

**Schedule RP-93  
(Continued)**

- A.** The RP-93 rate is not based on the cost of resources.
- B.** The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatthour.
- C.** The forecasted cost of resources to meet load growth is 60.64 mills per kilowatthour.

# General Rate Schedule Provisions

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## **SECTION I. ADOPTION OF REVISED RATE SCHEDULES AND GENERAL RATE SCHEDULE PROVISIONS**

### **A. Approval of Rates**

These 1993 rate schedules and General Rate Schedule Provisions (GRSPs) shall become effective upon interim approval or upon final confirmation and approval by the Federal Energy Regulatory Commission (FERC). BPA will request FERC approval effective October 1, 1993. BPA proposes that the following schedules, and the GRSPs associated with these schedules, be effective for 2 years: PF-93, IP-93, SI-93, CE-93, NR-93, SS-93, NF-93, PS-93, and RP-93. BPA proposes that the SP-93 rate schedule, and the GRSPs associated with this schedule, be effective for 5 years.

### **B. General Provisions**

These 1993 rate schedules, and the GRSPs associated with these rate schedules, supersede BPA's 1991 rate schedules (which became effective October 1, 1991) to the extent stated in the Availability section of each rate schedule. These schedules and GRSPs shall be applicable to all BPA contracts, including contracts executed both prior to and subsequent to enactment of the Northwest Power Act. All sales of power made under these rate schedules are subject to the following acts as amended: the Bonneville Project Act, the Regional Preference Act (P.L. 88-552), the Federal Columbia River Transmission System Act, and the Northwest Power Act.

## **SECTION II. TYPES OF BPA SERVICE**

### **A. Priority Firm Power**

Priority Firm Power is electric power (capacity, energy, or capacity and energy) that BPA will make continuously available for resale to ultimate consumers for direct consumption, construction, test and startup, and station service by public bodies, cooperatives, and Federal

agencies. (Construction, test and start-up, and station service are defined in section V.B of these GRSPs.)

Utilities participating in the exchange under section 5(c) of the Northwest Power Act may purchase Priority Firm Power pursuant to their Residential Purchase and Sale Agreements.

In addition, BPA may make Priority Firm Power available to those parties participating in exchange agreements specifying use of the Priority Firm rate for determining the amount or value of power to be exchanged.

Power purchased under the rate schedule is to be used to meet the purchaser's actual firm load within the Pacific Northwest. Such power may be restricted in accordance with the Restriction of Deliveries section of these GRSPs (section V.E). However, BPA shall not restrict Priority Firm Power until Industrial Firm Power has been restricted in accordance with the provisions of section II.C of these GRSPs.

Priority Firm Power is not available to serve New Large Single Loads.

### **B. New Resource Firm Power**

New Resource Firm Power is electric power (capacity, energy, or capacity and energy) that BPA will make continuously available:

1. for any New Large Single Load,
2. for firm power purchased by investor-owned utilities (IOUs) pursuant to power sales contracts with BPA, and
3. for construction, test and start-up, and station service for facilities owned or operated by IOUs.

New Resource Firm Power is to be used to meet the purchaser's actual firm load within the Pacific Northwest. Such power may be restricted in accordance with the Restriction of Deliveries section of these GRSPs (section V.E). However, BPA shall not restrict New Resource Firm Power

until Industrial Firm Power has been restricted in accordance with the provisions of section II.C of these GRSPs.

### **C. Industrial Firm Power**

Industrial Firm Power is electric power that BPA will make continuously available to a direct service industrial (DSI) purchaser pursuant to the DSI's power sales contract and subject to:

1. the restriction applicable to deliveries of all firm power pursuant to the Uncontrollable Forces and Continuity of Service provisions of the General Contract Provisions of the power sales contract, and
2. the restrictions given in the Restriction of Deliveries section of the power sales contract.

### **D. Special Industrial Power**

Special Industrial Power is electric power which BPA will make continuously available to any DSI that qualifies for the Special Industrial Power rate pursuant to section 7(d)(2) of the Northwest Power Act. This power is similar in nature to Industrial Firm Power, but is subject to greater restriction by BPA. Special Industrial Power is made available to the qualifying DSI upon adoption of, and subject to, an amendment modifying its power sales contract.

### **E. Auxiliary Power**

Auxiliary Power is that power which a DSI requests and which BPA agrees to make available to serve that portion of the DSI's load which is in excess of the DSI's Operating Demand for Industrial Firm Power or Special Industrial Power.

### **F. Shortage Power**

Shortage Power is energy or energy with capacity, provided by BPA to a purchaser to serve such purchaser's regional load under circumstances where the purchaser is in danger

of curtailing firm load even though the purchaser is operating all available resources and exercising all contractual rights to firm power to the maximum level feasible. In the event of a state ordered or regionwide load curtailment, a power deficiency is deemed to exist for those purchasers whose power supply condition is in part causally related to the state(s) initiated load curtailment.

### **G. Surplus Firm Power**

Surplus Firm Power is firm energy, firm power (firm energy with capacity), and firm capacity (capacity with energy return requirements) in excess of the amount required to meet BPA's existing contractual obligations to provide firm service. Surplus Firm Power may be used either for resale or direct consumption by purchasers both inside and outside the United States. Such power, however, may be restricted pursuant to the Restriction of Deliveries section of these GRSPs (section V.E).

### **H. Nonfirm Energy**

Nonfirm Energy is supplied or made available by BPA to a purchaser under an arrangement that does not have the guaranteed continuous availability feature of firm power. Nonfirm energy is mostly sold under the Nonfirm Energy rate schedule, NF-93. Nonfirm energy also may be supplied under the Share-the-Savings rate schedule, SS-93, which is available as an experimental rate for contract purchase.

In addition, BPA also can make nonfirm energy available under the Nonfirm Energy rate schedule to the Western Systems Power Pool (WSPP) subject to terms and conditions agreed upon by the members participating in the WSPP and in accordance with BPA policy for such arrangements.

However, Nonfirm Energy that has been purchased under a guarantee provision in the Nonfirm Energy rate schedule shall be provided to the purchaser in accordance with the provisions of that schedule and the power sales contract if applicable. BPA may make Nonfirm

Energy available to purchasers both inside and outside the United States.

## **I. Reserve Power**

Reserve Power is firm power sold to a purchaser:

1. in cases where the purchaser's power sales contract states that the rate for Reserve Power shall be applied;
2. to provide service when no other type of power is deemed applicable; or
3. to serve the purchaser's firm power loads under circumstances where BPA does not have a power sales contract in force with the purchaser.

Sales of Reserve Power are subject to the Restriction of Deliveries section of these GRSPs (section V.E).

## **SECTION III. BILLING FACTORS AND BILLING ADJUSTMENTS**

### **A. Billing Factors for Demand**

#### **1. Measured Demand**

The purchaser's Measured Demand shall be determined in the manner described in this section. Measured Demand shall be that portion of the metered or scheduled demand that is purchased from BPA under the applicable rate schedule. For those contracts to which BPA is a party and that provide for delivery of more than one class of electric power to the purchaser at any point of delivery, the portion of each 60-minute clock-hour integrated demand assigned to any class of power shall be determined pursuant to the power sales contract. The portion of the total Measured Demand so assigned shall constitute the Measured Demand for each such class of power.

The Measured Demand shall be determined from the metered demand or the scheduled

demand, as hereinafter defined. The Measured Demand shall be determined on either a coincidental or a noncoincidental basis, as provided in the purchaser's power sales contract.

#### **a. Metered Demand**

The metered demand in kilowatts shall be the largest of the 60-minute clock-hour integrated demands, adjusted as specified in the power sales contract, at which electric energy is delivered to a purchaser:

- (1) at each point of delivery for which the metered demand is the basis for determination of the Measured Demand,
- (2) during each time period specified in the applicable rate schedule, and
- (3) during any billing period.

Such largest integrated demand shall be determined from measurements made either in the manner specified in the power sales contract or as provided in section VI.A herein. In determining the metered demand, BPA shall exclude any abnormal integrated demands due to or resulting from:

- (1) emergencies or breakdowns on, or maintenance of, the Federal system facilities; and
- (2) emergencies on the purchaser's facilities, provided that such facilities have been adequately maintained and prudently operated, as determined by BPA.

#### **b. Scheduled Demand**

The scheduled demand in kilowatts shall be the largest of the hourly demands at

which electric energy is scheduled for delivery to a purchaser:

- (1) to each system for which scheduled demand is the basis for determination of the Measured Demand;
- (2) during each time period specified in the applicable rate schedule; and
- (3) during any billing period.

Scheduled amounts are deemed delivered for the purpose of determining billing demand.

## **2. Ratchet Demand**

The Ratchet Demand in kilowatts shall be the maximum demand established during a specified period of time either during or prior to the current billing period. The demand on which the ratchet is based is specified in the relevant rate schedule or in these GRSPs. For utilities purchasing under the PF or NR rate schedules, the Ratchet Demand is based on the highest demand during prior billing months. When the Ratchet Demand is used as a billing factor, BPA shall have specified in the appropriate schedules or GRSPs:

- a. the period of time over which the ratchet shall be calculated;
- b. the type of demand to be used in the calculation; and
- c. the percentage (if any) of that demand which will be used to calculate the Ratchet Demand.

## **3. Contract Demand**

The Contract Demand shall be the maximum number of kilowatts that the purchaser agrees to purchase and BPA agrees to make available, subject to any limitations included in the power sales contract. BPA may agree

to make deliveries at a rate in excess of the Contract Demand at the request of the purchaser, but shall not be obligated to continue such excess deliveries. Any contractual or other reference to Contract Demand as expressed in kilowatthours shall be deemed, for the purpose of these GRSPs, to refer to the term "Contract Energy."

## **4. Computed Peak Requirement**

For purchasers designated to purchase on the basis of computed requirements, the Computed Peak Requirement shall be determined as specified in the purchaser's power sales contract. That specification is provided in:

- a. sections 16, 17(c), and 17(f), as adjusted by other sections of the contract, for actual computed requirements purchasers;
- b. sections 16, 17(a), and 17(f), as adjusted by other sections of the contract, for planned computed requirements purchasers; and
- c. sections 16 and 17(b), as adjusted by other sections of the contract, for contracted computed requirements purchasers.

## **5. Computed Average Energy Requirement**

For computed requirements purchasers, the Computed Average Energy Requirement shall be determined as specified in the purchaser's power sales contract. That specification is provided in:

- a. sections 16, 17(c), and 17(f), as adjusted by other sections of the contract, for actual computed requirements purchasers;
- b. sections 16, 17(a), and 17(f), as adjusted by other sections of the contract, for

planned computed requirements purchasers; and

c. sections 16 and 17(b), as adjusted by other sections of the contract, for contracted computed requirements purchasers.

## 6. Operating Demand

The Operating Demand is that demand which is established by each DSIs in accordance with section 5(b) of the DSIs power sales contract. Unless the DSIs has requested, and BPA has granted, an Auxiliary Demand, the Operating Demand establishes a limit with respect to:

- a. the demand which the purchaser may impose on BPA; and
- b. the total amount of energy during a billing month which the DSIs is entitled to purchase from BPA.

## 7. Curtailed Demand

A Curtailed Demand is the number of kilowatts of industrial power (Industrial Firm Power or Special Industrial Power) during the billing month which results from the DSIs request for such power in amounts less than the Operating Demand therefor. Each purchaser of industrial power may curtail its demand according to the terms of its power sales contract (which permits up to three levels of Curtailed Demand each month).

## 8. Restricted Demand

Restricted Demand is the number of kilowatts of industrial power (either Industrial Firm Power or Special Industrial Power) that results when BPA has restricted delivery of such power for one clock-hour or more. BPA shall make such restrictions according to the terms of the DSIs power sales contract. In a given billing month, there are as many possible levels of

Restricted Demand for a DSIs as there are number of restrictions.

## 9. Auxiliary Demand

Auxiliary Demand is the number of kilowatts of Auxiliary Power that a DSIs requests and that BPA agrees to make available to serve a portion of the DSIs load during the period specified in the DSIs request. The DSIs may request up to three levels of Auxiliary Demand during a billing month.

If BPA agrees to a request for Auxiliary Power but later becomes unable to supply such demand, the Restricted Demand for Auxiliary Power is deemed to be the Auxiliary Demand for such period of restriction. Auxiliary Power may be curtailed by the DSIs according to the provisions of section 9(a) of the DSIs power sales contract.

BPA shall make Auxiliary Power available to Industrial Firm Power purchasers under the Industrial Firm Power rate schedule at the Standard Industrial rate. Auxiliary Power sales to DSIs electing to purchase under the Variable Industrial Power rate schedule (VI-91) shall be made at the rate determined pursuant to section III of the VI-91 rate schedule. Auxiliary Power sales to DSIs purchasing under the Special Industrial rate will be made only at the Standard Special Industrial Power rate.

## 10. BPA Operating Level

The BPA Operating Level is, for the purpose of these rate schedules and GRSPs, an hourly amount of industrial power (Industrial Firm Power or Special Industrial Power) for a DSIs that is equal to the lowest of the following demands during that hour:

- a. Operating Demand plus Auxiliary Demand, if any;
- b. Curtailed Demand; or

c. Restricted Demand.

The weighted average BPA Operating Level for each DSI can be determined by summing the hourly BPA Operating Levels and dividing by the number of hours in the billing month.

Each DSI must request service from BPA for each billing month in accordance with the terms of the power sales contract. The requested level of service will be the BPA Operating Level, provided BPA does not need to restrict the DSI and provided BPA agrees to supply any requested Auxiliary Demand. Each requested level of service may include a designation for both the Peak Period and the Offpeak Period. A DSI may request and BPA may agree to a level of service for the Offpeak Periods other than that in the Peak Period. If a DSI does not separately designate a requested level of service for the Peak and Offpeak Periods, the BPA Operating Level is the basis for determining if a DSI has incurred an unauthorized increase.

Any DSI whose Measured Demand, before adjustment for power factor, during any 1 hour exceeds the BPA Operating Level for that hour shall be subject to unauthorized increase charges for each kilowatthour of unauthorized increase associated with each overrun.

Only the BPA Operating Level applicable during the Peak Period will be used in determining the Billing Demand for power purchased under the Industrial Firm Power rate schedule, the Variable Industrial Power rate schedule, and the Standard rate under the Special Industrial rate schedule. During the Peak Period the BPA Operating Level may be no greater than the Operating Demand for the billing month unless the customer has requested, and BPA has agreed to supply, the Auxiliary Demand.

## B. Billing Factors for Energy

### 1. Measured Energy

Measured Energy shall be that portion of the metered or scheduled energy that is purchased from BPA under the applicable rate schedule. For those contracts to which BPA is a party and that provide for delivery of more than one class of electric power to the purchaser at any point of delivery, the portion of each 60-minute clock-hour integrated demand assigned to any class of power shall be determined pursuant to the power sales contract. The sum of the portions of the demands so assigned shall constitute the Measured Energy for each such class of power.

The Measured Energy shall be determined from the metered energy or the scheduled energy, as hereinafter defined.

#### a. Metered Energy

The metered energy for a purchaser shall be the number of kilowatthours that are recorded on the appropriate metering equipment, adjusted as specified in the power sales contract, and delivered to a purchaser:

- (1) at all points of delivery for which metered energy is the basis for determination of the Measured Energy, and
- (2) during any billing period.

The metered energy shall be determined from measurements made either in the manner specified in the power sales contract or as provided in section VI.A herein.

#### b. Scheduled Energy

The scheduled energy in kilowatthours shall be the sum of the hourly demands

at which electric energy is scheduled for delivery to a purchaser:

- (1) for each system for which scheduled energy is the basis for determination of the Measured Energy, and
- (2) during any billing period.

Scheduled amounts are deemed delivered for the purpose of determining billing energy.

## 2. Computed Energy Maximum

The Computed Energy Maximum equals the product of the number of hours in the billing month and the Computed Average Energy Requirement.

## 3. Contract Energy

The Contract Energy shall be the maximum number of kilowatthours that the purchaser agrees to purchase and BPA agrees to make available, subject to any limitations included in the power sales contract.

## C. Billing Adjustments

### 1. Power Factor Adjustment

The formula for determining average power factor is as follows:

$$\text{Average Power Factor} = \frac{\text{Average Kilowatthours}}{\sqrt{(\text{Kilowatthours})^2 + (\text{Reactive kilovoltamperehours})^2}}$$

The data used in the above formula shall be obtained from meters that are ratcheted to prevent reverse registration. These data then shall be adjusted for losses, if applicable, before determination of the average power factor.

When deliveries to a purchaser at any point of delivery either:

- a. include more than one class of power; or
- b. are provided under more than one rate schedule and it is impracticable to meter the kilowatthours and reactive kilovoltamperehours for each class or rate schedule separately, the average power factor of the total deliveries for the month will be used, where applicable, as the power factor for all power delivered to such point of delivery.

To maintain acceptable operating conditions on the Federal system, BPA may, unless specifically otherwise agreed, restrict deliveries of power to a purchaser with a low power factor. Such restriction may be made to a point of delivery or to a purchaser's system at any time that the average leading power factor or average lagging power factor for all classes of power delivered to such point or to such system is below 75 percent.

### 2. Outage Credit

To the extent that BPA is unable to provide full service to a purchaser during the billing month as a result of interruptions in service due to reasons cited in the General Contract Provisions, BPA shall adjust the charges for those hours for billing demand for such purchaser to reflect BPA's inability to provide full service, provided such adjustment is mandated by the purchaser's power sales contract. The adjustment is provided on a point of delivery basis. To compute the adjustment for noncoincidentally billed systems, BPA shall determine the monthly demand charge(s) for the point(s) of delivery where the outage(s) occurred, multiply by the number of hours of outage, and divide by the total number of hours in the billing month. For coincidentally billed points of delivery, the adjustment shall apply only to those points of delivery at which BPA was unable to provide full service. For

partial outages (such as an outage on one feeder in a substation with several feeders), BPA shall determine an equivalent interruption in order to arrive at the number of hours to be used in the calculation of the credit.

### 3. Low Density Discount (LDD)

#### a. Basic LDD Principles

A predetermined discount shall be applied each billing month to the charges for all power purchased under the Priority Firm Power rate schedule by eligible purchasers as defined in section b, below. The discount shall be calculated on an annual basis and shall become effective with the first billing period in the calendar year. Retroactive billing for the LDD may be required if the data are not available by the January billing date. The level of the discount shall be determined from the following ratios:

- (1) the purchaser's total electric energy requirements during the previous calendar year (the purchaser's firm sales, nonfirm sales to firm retail loads, sales for resale, and associated losses, but excluding nonfirm sales to nonfirm retail loads, such as boiler loads served under BPA's alternate fuel policy) divided by the value of the purchaser's depreciated electric plant (excluding generation plant) at the end of such year, and
- (2) the average number of consumers (annual and seasonal consumers with residential, industrial, commercial, and irrigation accounts, but excluding separately billed services for water heating, electric space heating, and security lights) during the previous calendar year divided by the number of pole miles of

distribution line at the end of such year. Distribution lines are defined as those that deliver electric energy from a substation or metering point, at a voltage of 34.5 kV or less, to the point of attachment to the consumer's wiring and include primary, secondary, and service facilities.

These calculations shall be based on data provided in the purchaser's annual financial and operating report. In calculating these ratios, BPA shall use data pertaining to the purchaser's entire electric utility system within the region. Results of the calculations shall not be rounded.

Customers who have not provided BPA with all four requisite pieces of annual data (see a.(1) and a.(2) above) by June 30 of each year shall be declared ineligible for the LDD effective with the June billing period for that year. BPA shall extend a customer's eligibility from the previous year through the June billing period of the following year and shall make any necessary retroactive adjustments once the new data have been processed. If no data have been received by December 31 for the previous calendar year, BPA shall assume that the utility did not qualify for an LDD for that year. LDDs issued from January 1 to June 30 shall be assumed to have been in error, and the utility shall be billed for any such discounts issued.

Revisions to the data used to calculate the amount of the LDD may be made by the purchaser for a period of up to 2 years from the first day to which the data apply. However, such revisions shall not apply to periods when the customer

was ineligible for a discount due to late data submission.

**b. Eligibility Criteria**

To qualify for a discount, the purchaser must meet all six of the following eligibility criteria:

- (1) the purchaser must serve as an electric utility offering power for resale;
- (2) the purchaser must agree to pass the benefits of the discount through to the purchaser's consumers within the region served by BPA;
- (3) the purchaser's average retail rate for the reporting year must exceed the average Priority Firm Power rate in effect for the qualifying period by 10 percent. For Calendar Year (CY) 1993, the average Priority Firm Power rate shall be the average of the PF-91 Preference rate for 9 months and the PF-93 Preference rate for 3 months. For CY 1994, the average Priority Firm Power rate shall be the PF-93 Preference rate;
- (4) the purchaser's kilowatthour-to-investment ratio (Ratio 3.a.(1)) must be less than 100;
- (5) the purchaser's consumers-per-mile ratio (Ratio 3.a.(2)) must be less than 12; and
- (6) the purchaser must qualify for a discount based on the criteria in section c, below.

**c. Discounts**

The purchaser shall be awarded the greatest discount for which that purchaser qualifies. The discounts and the qualifying criteria for those discounts are listed below.

- (1) Three percent, for any purchaser for whom:
  - (a) the kilowatthour-to-investment ratio is equal to or greater than 25 but less than 35; or
  - (b) the consumers-per-mile ratio is equal to or greater than 5 but less than 7.
- (2) Five percent, for any purchaser for whom:
  - (a) the kilowatthour-to-investment ratio is equal to or greater than 15 but less than 25; or
  - (b) the consumers-per-mile ratio is equal to or greater than 3 but less than 5.
- (3) Seven percent, for any purchaser for whom:
  - (a) the kilowatthour-to-investment ratio is less than 15; or
  - (b) the consumers-per-mile ratio is less than 3.

**4. Irrigation Discount**

**a. Basic Irrigation Discount Principles**

A discount of 4.71 mills per kilowatthour shall be applied to the charges for qualifying irrigation energy purchased under the Priority Firm Power and New Resource Firm Power rate schedules, during the billing months of April through October. This discount shall be applied subsequent to calculation of the LDD, if applicable. Any energy on which the irrigation discount is claimed shall be metered separately by the Purchaser, and used exclusively for

agricultural irrigation or drainage pumping.

b. Qualifying Energy Purchases

The qualifying irrigation energy shall be determined as follows:

- (1) All irrigation energy must be used exclusively for the purpose of irrigation and drainage pumping on agricultural land and be measured at the end-use irrigation customer's meter. The discount shall apply to the measured energy sales at the end-use.
- (2) Energy subject to the discount must be purchased during the billing months of April through October.
- (3) Purchasers of exchange energy under the Residential Purchase and Sale Agreement (RPSA) are eligible for the irrigation discount for the portion of their irrigation sales qualifying for the exchange under the RPSA contracts. However, if the purchaser also purchases energy from BPA for general requirements, and receives an irrigation discount on those purchases, a second irrigation discount will not be applied to that energy through the RPSA exchange. Therefore, the irrigation discount will not be applied to any portion of the purchaser's irrigation sales qualifying for the RPSA exchange that receives the discount as a general requirements purchase.
- (4) General requirements customers are eligible for an irrigation discount for a portion of their irrigation sales equal to the share of their total sales served by BPA firm purchases (i.e., total irrigation and drainage pumping sales multiplied by BPA billing energy for Priority Firm or New Resources firm purchases

divided by the total firm utility system requirements for the billing month).

c. Initial Reporting Requirements

Requests for the Irrigation Discount must include the following information:

- (1) To receive an irrigation discount, a purchaser must file a request for the discount with its local BPA Area or District Office by April 1 each year.
- (2) In the request, the purchaser must certify that the irrigation energy is sold exclusively for use in irrigation and drainage pumping on agricultural land and that the discount is passed, in its entirety, to the irrigation consumer, regardless of whether the utility has raised its rates. BPA retains the right to verify, in a manner satisfactory to the Administrator, that the discounted energy is used for the sole benefit of the purchaser's irrigation load.

d. Annual Reporting Requirements

Purchasers shall submit an annual irrigation report to their local BPA Area or District office in order to receive the irrigation discount. Purchasers are required to report information related to monthly irrigation energy sales. If a utility does not read its irrigation meters monthly, the utility must estimate its monthly irrigation sales. These estimates shall be reviewed by BPA area and/or district offices. Purchasers must read their meters within 3 working days of the beginning and ending of the irrigation discount period (April-October). In order to qualify for the discount, the purchaser must submit all data to BPA by December 31 of the calendar year in which the sales occurred. Irrigation

reports to BPA shall include the following monthly information for the reporting period:

- (1) utility name and period for which the report is being made;
- (2) total irrigation sales and total qualifying irrigation energy sales (in kilowatthours) by month;
- (3) total qualifying irrigation sales (in kilowatthours) by month under 400 horsepower, for exchanging utilities;
- (4) total utility firm system requirements for other than full requirement customers by month (in kilowatthours);
- (5) total energy purchased from BPA under the Priority Firm or New Resource rate by month in kilowatthours; and
- (6) the Purchaser shall list each irrigation and drainage account number in its annual report and whether each irrigation consumer is billed monthly, bimonthly, or seasonally. If the Purchaser is an exchanging utility, the Purchaser shall also identify the size (in horsepower) of the connected load for each active account. A utility may submit monthly reports, if it chooses. In that case, the active list of accounts should be included in the last monthly report submitted.

## 5. Interim Rate Adjustment

### a. Application of the Interim Rate Adjustment (IRA)

The IRA applies to the Priority Firm Power (Exchange and

Preference)(PF-93), Industrial Firm Power (IP-93), Variable Industrial Power (VI-91), Special Industrial Power (SI-93), Surplus Firm Power (SP-93), Nonfirm Energy (NF-93), and New Resources Firm Power (NR-93) rate schedules.

- (1) A percentage adjustment, labeled as IRA%, is calculated for the 12-month period of FY 1995 and shall be applied to these rate schedules if: (a) the balance of BPA's FY 1994 year-end financial reserves is projected to fall below the adjusted IRA trigger point; and (b) the Administrator elects, at his sole discretion, to implement the IRA.
- (2) Any reductions in the balance of financial reserves due to changes in Federal repayment policy shall not be recovered through the IRA.

### b. Definitions

For purposes of applying the IRA, the following definitions will apply:

- (1) "adjusted IRA trigger point" (ATP) means the IRA trigger point less the IRA trigger point adjustment.
- (2) "adjusted target level of financial reserves" (ATLFR) means the target level of financial reserves at the end of FY 1994 less the IRA trigger point adjustment.
- (3) "controllable expenses" means post-distribution accrued expenses for BPA system

operations and maintenance less the sum of short-term power purchases, storage services, and the PNCA Interchange. Controllable expenses also exclude: (a) legally mandated Endangered Species Act implementation expense; (b) court ordered legal judgments against BPA and settlements formally accepted by a court in connection with dismissal of litigation; and (c) costs already covered by the Energy Tax Adjustment Clause. For purposes of calculating any adjustment to the IRA trigger point, FY 1993-FY 1994 controllable expense actuals and forecasts will employ the same accounting and budgeting structure that was used in connection with setting controllable expense program levels in revenue requirements.

(4) "financial reserves" means the sum of: (a) BPA's projected cash balance in the Bonneville Fund as of Fiscal Year End 1994; and (b) BPA's available deferred borrowing balance as of the end of FY 1994, representing BPA capital program expenditures temporarily financed with cash from revenues instead of through the issuance of revenue bonds or notes (borrowing) to the U.S. Treasury; less (c) any dedicated amounts held in the Bonneville Fund for reimbursable trust accounts or other dedicated money unavailable to cover risk.

(5) "interim rate adjustment maximum" (IRAM) is the maximum dollar amount of revenue recovery from the IRA. The IRAM is set at \$252 million for the FY 1994-FY 1995 rate period.

(6) "IRA trigger point" is equal to \$145 million in financial reserves.

(7) "IRA trigger point adjustment" means a downward adjustment to the IRA trigger point equal to the amount by which BPA's total FY 1993 actual and FY 1994 forecast of controllable expenses combined exceed or are projected to exceed controllable expenses in the rate case plan for FY's 1993-1994 combined. Controllable expense actuals for FY 1993 will be consistent with FCRPS audited financial statements. The FY 1994 forecast of controllable expenses will be determined in the FY 1994 Third Quarter Review (scheduled to be completed in July 1994) and will be based on actual controllable expenses for the first nine months (October 1993 through June 1994) of the fiscal year and a forecast of most likely controllable expenses for the remaining three months (July 1994 through September 1994) of the fiscal year.

(8) "projected financial reserve balance" (PFRB) means the end

of FY 1994 projected financial reserve balance at the time of the IRA calculation. For purposes of implementing the IRA, the PFRB is equal to the sum of: (1) the cash surplus or deficit from current year BPA operations; (2) the start-of-year cash balance; (3) cash from Treasury borrowing; and (4) BPA's deferred borrowing balance, less of cash used for investment activities (capital expenditures to be financed with bonds issued to Treasury).

(9) "purchaser" means a BPA customer and its representative.

(10) "rate case plan" means, for FY 1993, the expense forecasts in BPA's FY 1993 Second Quarter Review, as amended in June 1993, and, for FY 1994, expense program levels in the final proposal (revised revenue test) revenue requirements. The rate case plan for FY 1994 includes the portion of the undistributed expense reduction that was prorated to program levels in revenue requirements. FY 1993 and FY 1994 controllable expenses in the rate case are \$746.6 million as set forth in Table 1 located at the end of the GRSPs.

(11) "target level of financial reserves" (TLFR) is equal to \$370 million.

c. Adjustment Period

The adjustment period is the second fiscal year of the 2-year rate period (October 1, 1994 through September 30, 1995). The IRA may be implemented for the adjustment period if the PFRB is below the adjusted IRA trigger point (ATP).

d. Controllable Expenses

FY 1993 and FY 1994 controllable expenses in the rate case plan are set forth in Table 1 located at the end of the GRSPs.

e. Formula for the Calculation of the Interim Rate Adjustment

The IRA% will be calculated if the PFRB is less than the adjusted IRA trigger point (ATP). The IRA% will be calculated as follows:

$$\text{IRA\%} = (\text{ATLFR-PFRB}) / \$252 * 10$$

If the value of the IRA% is greater than 10%, then the IRA% will be reduced to 10%.

f. Interim Rate Adjustment Notification Process

BPA shall follow the following notification procedures:

(1) Initial Notice

BPA shall notify all customers and such other parties who may request notice, by letter on or about January 1, 1994, that the IRA may be triggered. All customers and parties shall notify

BPA within 30 calendar days if they want to continue to receive periodic notice regarding the potential implementation of the IRA. This reply to BPA's notice shall establish the IRA mailing list.

(2) Financial Performance Status Reports

BPA shall provide information on its financial performance as a part of its Quarterly Reviews and may, at its option, provide financial performance information on a more frequent basis. Financial information shall include a projection of BPA's FY 1994 year-end financial reserve balance, a calculation of actual and projected controllable expenses, and the IRA%. BPA shall also provide a preliminary calculation of the adjusted IRA trigger point, the adjustment to the IRA target reserve balance, and a compilation of controllable cost differences for FY 1993 and FY 1994.

The Administrator may, at any time, determine that an IRA will not be implemented, or elect at his discretion to waive implementation of the IRA, and shall then inform the customers of his decision and the basis for that decision as soon as practicable.

(3) Notice of IRA Calculation

(a) If BPA determines that BPA's projected financial reserves balance is below the

adjusted IRA trigger point, BPA shall give notice as soon as practicable after its FY 1994 Third Quarter Review of the preliminary amount of the IRA, the calculation of the IRA, and the resulting level of the adjustment to each applicable rate schedule. The notice shall also contain the data and assumptions prepared and relied upon by BPA, including references to additional documentation, if any. Such data, assumptions, and documentation, if non-proprietary and/or non-privileged, shall be made available for review at BPA upon request. The notice shall also contain the tentative schedule for the remainder of the implementation process.

(b) If BPA determines that, based on the Third Quarter Review, projected financial reserves exceed the adjusted IRA trigger point, or if the Administrator should elect, at his discretion, to waive implementation of the IRA, BPA shall give notice before August 15, 1994 and no further process shall be required.

(4) Opportunity for Review of Underlying Data

(a) On or about August 15, 1994, BPA shall conduct a public meeting in which customer representatives may seek off-

the-record clarification of the application of the adjustment amount to specific rate schedules. For the purpose of further mailings, a list of the names and addresses of customer representatives, and such other interested parties who may so request, will be compiled at this meeting, and will amend the IRA mailing list.

- (b) On or about August 22, 1994, purchasers under each applicable rate schedule may submit information requests to BPA regarding the proposed adjustment. The requests shall also be mailed to all persons on the IRA mailing list compiled pursuant to (4)(a) above. BPA shall respond to the requests within 5 working days of their receipt, or as soon as practicable if 5 days is insufficient time within which to respond.
- (c) On or about September 1, 1994, purchasers under each applicable rate schedule, and such other interested parties who may so elect, may submit written comments to BPA regarding the adjustment. The commenter shall also mail a copy of the comments to all persons on the IRA mailing list.
- (d) On or about September 12, 1994, commenters may provide cross-comments in

response to those submitted by any other commenter. The commenters shall also mail a copy of the cross-comments to all persons on the IRA mailing list.

- (e) On or about September 19, 1994, BPA shall conduct a public comment forum in which purchasers under each applicable rate schedule may present oral comments to BPA.
- (f) On or about September 26, 1994, BPA shall notify firm power purchasers under each applicable rate schedule and other purchasers that request the information of the amount of the adjustment, the final calculation of the adjustment and the resulting level of the rate increase applicable to each rate schedule. The notice shall also contain the data and assumptions prepared and relied upon by BPA, with references to additional documentation, if any. BPA may, in its sole discretion, provide a written explanation for its decision on any issues raised pursuant to section III.C.5.f.(4).(c), (d), and (e).
- (g) If there is a rate adjustment due to the IRA following the final calculation of the IRA, it shall be in effect for the period October 1, 1994 through September 30, 1995.

## 6. Coincidental Billing

Purchasers of Priority Firm Power and New Resource Firm Power shall be billed on a noncoincidental demand basis for power purchased at each point of delivery under the applicable rate schedule(s) unless the power sales contract specifically provides for coincidental demand billing among particular points of delivery. For the purpose of these rate schedules and GRSPs, the purchaser's noncoincidental demand is the sum of the highest hourly peak demands during the billing month for each of the purchaser's points of delivery. The purchaser's coincidental demand is the highest demand for the billing month calculated by summing, for each hour of every day, the purchaser's demands for power purchased under the applicable rate schedule at all coincidentally billed points of delivery. See Special Provisions Exhibits of the Power Sales Contract, GCP E 17.

## 7. Conservation Surcharge

The Conservation Surcharge shall be applied monthly and shall equal 10 percent of the customer's total monthly charge for all power purchased under each rate schedule subject to the surcharge. The PF and NR rate schedules are subject to the Conservation Surcharge. If only a portion of the customer's service area is subject to the surcharge, then the amount of the surcharge shall equal 10 percent of the total charge for all power purchases multiplied by: (a) the portion of the customer's total retail load that is subject to the surcharge, divided by (b) the customer's total retail load.

## 8. Energy Tax Adjustment

As soon as practicable after an Energy Tax is enacted into law, BPA shall notify Affected Customers, and all parties to the 1993 rate case, of the increase in BPA costs due to the Energy Tax and the period over which the increased costs will be collected.

"Affected customers" includes customers purchasing under the Priority Firm (PF-93) rate, the Industrial Firm Power (IP-93) rate the Variable Industrial (VI-93) rate, the Special Industrial Power (SI-93) rate, the Surplus Firm Power (SP-93) rate, the Nonfirm Energy (NF-93) rate, the New Resources Firm Power (NR-93) rate, and the Power Shortage (PS-93) rate schedules.

### a. Determination of TOTAL BTU TAX:

For purposes of determining the TOTAL BTU TAX, BPA shall sum the increase in tax-related costs from all generation sources, including hydro generation, nuclear generation, and other purchased power generation. The TOTAL BTU TAX shall be based on the following formula:

$$\begin{aligned} \text{TOTAL BTU TAX} &= \text{Total increase in BPA costs due to the Energy Tax} \\ &= (\text{HYDRO TAX}) + (\text{NUCLEAR TAX}) \\ &\quad + (\text{OTHER TAX}) \end{aligned}$$

Where:

**HYDRO TAX:** shall be determined by multiplying the tax rate specified by legislation, expressed in \$/MMBtu, by the Btu conversion rate for hydro-generation specified by Congress, expressed in Btu/kWh. The amount shall then be applied to the expected output from non-exempt hydro-generation, expressed in MWh, subject to the tax during the period over which the tax will be collected, whether BPA is obligated to collect the tax or not. Non-exempt hydro-generation includes all hydro-generation except that specifically exempted by law.

**NUCLEAR TAX:** shall be determined by multiplying the tax rate specified by

legislation, expressed in \$/MMBtu, by the Btu conversion rate for nuclear-generation specified by Congress, expressed in Btu/kWh. The amount shall then be applied to the expected output from non-exempt nuclear-generation, expressed in MWh, subject to the tax during the period over which the tax will be collected, whether BPA is obligated to collect the tax or not. Non-exempt nuclear-generation includes all nuclear-generation except that specifically exempted by law.

OTHER TAX: shall be determined by multiplying the tax rate specified by legislation, expressed in \$/MMBtu, by the Btu conversion rate for any other generation specified by Congress, expressed in Btu/kWh. The amount shall then be applied to the expected output from non-exempt other generation, expressed in MWh, subject to the tax during the period over which the tax will be collected, whether BPA is obligated to collect the tax or not. Non-exempt other generation includes all other generation except that specifically exempted by law. Where there is a different tax rate and conversion factor for gas and oil generation, or other specified generation sources generation, each shall be determined separately and separately applied to the expected amount of generation from each source. Other Tax also includes the tax on electricity imported from Canada. The import tax shall be determined by multiplying the tax rate specified by legislation, expressed in \$/MMBtu, by the Btu conversion rate for imported electricity specified by Congress, expressed in Btu/kwh. The amount shall then be applied to the expected imported generation, expressed in MWh, subject to the tax during the period over which the tax will be collected, whether BPA is obligated to collect the tax or not. The tax on imported generation shall be

adjusted to reflect any tax credits for exported generation.

b. Formula for Calculating the Btu Tax Adjustment:

The amount of tax to be collected from each of BPA's customers shall be determined under the following formula:

$$\frac{(\text{TOTAL BTU TAX}) - (\text{OTHER TAX COLLECTED})}{(\text{TOTAL EXPECTED SALES})}$$

Where:

TOTAL BTU TAX: will be determined based on the formula contained in section III.B.8.a above.

OTHER TAX COLLECTED: payments projected from sources other than through the applicable rate schedules. Such sources may include payments under other contractual sales or transactions and payments from non-power users.

TOTAL EXPECTED SALES: the sum of total expected energy sales under the applicable rate schedules for the tax period. For purposes of determining the Btu tax, the applicable rate schedules shall be the PF-93, IP-93, VI-93, SI-93, SP-93, NF-9, NR-93, and PS-93 rate schedules.

c. Implementation Process:

If the amount of the tax to be collected from each of the customers as determined in section III.B.8.b above is less than 0.05 mills per kilowatthour, the Energy Tax Adjustment shall not be implemented. If the amount of the tax to be collected from each of the customers is greater than 0.05 mills per kilowatthour the Administrator may elect not to implement the Energy Tax

Adjustment if, in his sole determination, such an action would not jeopardize BPA's financial position. BPA shall notify all affected customers no later than 45 calendar days prior to imposing the adjustment to a customer's power bill of the preliminary estimate of the Energy Tax Adjustment and provide supporting documentation. Customers shall have 30 calendar days from the date of that notification to provide comments on the preliminary estimate of the Energy Tax Adjustment.

## **D. Billing-Related Definitions**

### **1. Peak Period**

The Peak Period includes the hours from 7 a.m. through 10 p.m. on any day Monday through Saturday inclusive. There are no exceptions to this definition; that is, it does not matter whether the day is a normal working day or a holiday. Any charges based on Peak Period hours shall be computed starting with the 8 a.m. meter reading since this reading applies to the 7 o'clock hour (7 a.m. to 8 a.m.). The 10 p.m. meter reading (for the 9 p.m. to 10 p.m. period) is the last meter reading of the day applicable to the Peak Period.

### **2. Offpeak Period**

The Offpeak Period includes all hours which do not occur during the Peak Period. Thus, the Offpeak Period consists of the hours from 10 p.m. to 7 a.m., Monday through Saturday and all hours on Sunday.

## **SECTION IV. OTHER DEFINITIONS**

### **A. Computed Requirements Purchasers**

#### **1. Designation as a Computed Requirements Purchaser**

A purchaser shall be designated as a computed requirements purchaser if it is so

designated pursuant to the provisions of its power sales contract.

When a purchaser operates two or more separate systems, only those systems designated by BPA will be covered by this section.

#### **2. Purpose of the Computed Requirements Designation**

Use of the computed requirements designation is intended to assure that each purchaser who purchases power from BPA to supplement its own firm resources will purchase amounts of firm capacity and firm energy substantially equal to that which the purchaser would otherwise have to provide on the basis of normal and prudent operations.

The amount of capacity and energy required for normal and prudent operations shall be determined pursuant to the purchaser's power sales contract.

#### **B. Definitions Relating to Nonfirm Energy Decremental Cost**

Unless otherwise specified in a contractual arrangement, decremental cost as applied to Nonfirm Energy transactions shall be defined as:

1. All identifiable costs (expressed in mills per kilowatthour) associated with the use of a displaceable thermal resource or end-user load with alternate fuel source to serve a purchaser's load that the purchaser is able to avoid by purchasing power from BPA, rather than generating the power itself or using an alternate fuel source; or
2. All identifiable costs (expressed in mills per kilowatthour) to serve the load of a displaceable purchase of energy that the purchaser is able to avoid by choosing not to make the alternate energy purchase.

All identifiable costs as used in the above definition may be reduced to reflect costs of purchasing BPA energy such as transmission costs, losses, or loopflow constraints that are agreed to by BPA and the purchaser.

## **C. NF Rate Cap**

### **1. Application of the NF Rate Cap**

The NF Rate Cap defines the maximum nonfirm energy price for general application. At no time shall the total price for nonfirm energy, including any applicable service charges or rate adjustment, sold under any applicable rate schedule exceed the NF Rate Cap. The level of the NF Rate Cap is based on a formula tied to BPA's system cost and California fuel costs. The NF Rate Cap applies to all sales of nonfirm energy under any applicable rate schedule for a 12-year period beginning October 1, 1987.

### **2. Monthly Notification of the NF Rate Cap**

Prior to the beginning of a calendar month BPA shall perform the calculations contained in section IV.C.3 of these GRSPs to determine the effective NF Rate Cap for that calendar month. BPA is obligated to provide advance notification of the NF Rate Cap level to purchasers of nonfirm energy. BPA may waive this requirement only if BPA does not intend to offer Nonfirm Energy at prices above BPA's Average System Cost (BASC) at any time during a month. The notification will be given at least 10 calendar days prior to the first day of any calendar month in which the NF Rate Cap applies. BPA shall also maintain, on file for public review, a record of the NF Rate Cap by month throughout the period the cap is in effect.

### **3. NF Rate Cap Formula**

The NF Rate Cap shall be equal to the greater of the following:

- a. BASC; or

- b.  $BASC + .30(DEC - BASC)$   
Where:

BASC = BPA's average system cost, determined by dividing BPA's total system costs by BPA's total system sales. For this rate period BASC has been determined to be 28.28 mills per kilowatthour.

DEC = The Decremental Fuel Cost as determined in accordance with section IV.C.5 of these GRSPs.

### **4. Determination of BASC**

For purposes of determining BASC, the following definition shall apply:

- a. BPA's total system costs shall be the sum of all BPA's costs forecasted in each general rate case for the applicable rate period, including total transmission costs, Federal base system costs, new resource costs, exchange resource costs, and other costs not specifically allocated to a rate pool, such as section 7(g) costs.
- b. BPA's total annual system sales shall be the sum of all BPA's system firm and nonfirm sales forecasted each general rate case for the applicable test period.

BASC shall be redetermined in each subsequent general rate case according to the above formula and will be in effect for the entire rate period over which the rates are in effect.

### **5. Determination of Decremental Fuel Cost**

The Decremental Fuel Cost shall be determined monthly by BPA. For purposes of calculating the NF Rate Cap, a weighted average of gas and petroleum prices for California will be used for approximating

decremental fuel costs. The monthly decremental fuel cost shall be:

a. the sum of:

- (1) the average California price for gas determined by multiplying the monthly gas use (WGU) developed pursuant to section IV.C.8.a times the monthly California gas price (MGP) determined pursuant to section IV.C.6 rounded to the nearest tenth of a mill; and
- (2) the average California price for petroleum determined by multiplying the monthly petroleum use (WOU) developed pursuant to section IV.C.8.b times the monthly California petroleum price (MOP) determined pursuant to section IV.C.7 rounded to the nearest tenth of a mill.

b. divided by the sum of the WGU and WOU developed in sections IV.C.8.a and b, respectively, rounded to the nearest tenth of a mill.

## 6. California Gas Price

The MGP for purposes of calculating the decremental cost component of the rate cap shall be based on the following formula:

$$MGP = \frac{AGP * HGP}{10}$$

Where:

AGP = the average gas price for California electric utility plants expressed in cents per million Btu as reported in the most recent monthly issue of Electric Power Monthly (EPM) published by the Energy Information Administration (EIA), U.S. Department of Energy. Prices shall be rounded to the nearest one-tenth of a cent.

HGP = the historical relationship between gas prices in the effective month of the NF Rate Cap (month t) and the month in which the gas prices are reported in EPM (month r) using the following procedures:

- a. summing all California gas prices, expressed in the nearest one-tenth of a cent per million Btu, reported in EPM for month t for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of the historical monthly California gas prices shall be divided by the number of years for which MGPs were reported and rounded to the nearest one-tenth of a cent;
- b. summing all California gas prices, expressed in the nearest one-tenth of a cent per million Btu, reported in EPM for month r for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of the historical monthly California gas prices shall be divided by the number of years for which MGPs were reported and rounded to the nearest one-tenth of a cent; and
- c. dividing the average monthly California gas price in a. above, by the average monthly California gas price in b. above, and rounding to the nearest one-tenth, or three significant places.

10 = the factor for converting gas prices stated in cents per million Btu to mills per kWh. The factor assumes a heat rate of 10,000 Btu per kilowatthour.

## 7. California Petroleum Price

The MOP for purposes of calculating the decremental cost component of the rate cap shall based on the following formula:

$$MOP = \frac{AOP * HOP}{10}$$

Where:

AOP = the last available average oil price for California electric utility plants expressed in cents per million Btu reported in EPM published by the EIA, U.S. Department of Energy. Prices shall be rounded to the nearest one-tenth of a cent.

HOP = the historical relationship between petroleum prices in the effective month of the NF Rate Cap (month t) and the last month in which the petroleum prices are reported in EPM (month r) using the following procedures:

- a. summing all California petroleum prices, expressed in the nearest one-tenth of a cent per million Btu, reported in EPM for month t for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of the historical monthly California petroleum prices shall be divided by the number of years for which monthly petroleum prices were reported and rounded to the nearest one-tenth of a cent;
- b. summing all California petroleum prices, expressed in the nearest one-tenth of a

cent per million Btu, reported in EPM for month r for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of the historical monthly California petroleum prices shall be divided by the number of years for which monthly petroleum prices were reported and rounded to the nearest one-tenth of a cent; and

- c. dividing the average monthly California petroleum price in a. above, by the average monthly California petroleum price in b. above, and rounding to the nearest one-tenth of a percent, or three significant places.

10 = the factor for converting petroleum prices stated in cents per million Btu to mills per kWh. The factor assumes a heat rate of 10,000 Btu per kilowatthour.

## 8. Weighting Factors

For purposes of determining California fuel prices for the month, gas and petroleum prices will be weighted based on California's historical use of these two alternative fuels.

### a. Historical Gas Use in California

The following formula shall be used to determine the weighting factor for gas prices (WGU):

$$WGU = CGU * HGU$$

Where:

CGU = the monthly net gas-fired generation, expressed in gigawatthours, for California in the most recent monthly issue of EPM published by the EIA, U.S. Department of Energy.

HGU = the historical relationship between gas consumptions in the effective month of the NF Rate Cap (month t) and the month for which gas consumption is reported in EPM (month r) using the following procedures:

- (1) summing the reported net-gas fired generation for California, expressed in gigawatthours, from EPM for month t for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of California's historical monthly consumption shall be divided by the number of years for which gas consumption was reported and rounded to the nearest gigawatthour;
- (2) summing the reported net gas-fired generation for California, expressed in gigawatthours, from EPM for month r for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of California's historical monthly consumption shall be divided by the number of years for which gas consumption was reported and rounded to the nearest gigawatthour; and
- (3) dividing the average consumption of gas in California for the month t as determined in (1) above by the average consumption of gas for the month r as determined in (2) above and rounding to the nearest one-tenth, or three significant places.

b. Historical Petroleum Use in California

The following formula shall be used to determine the weighting factor for petroleum prices (WOU):

$$WOU = COU * HOU$$

Where:

COU = the monthly net petroleum-fired generation, expressed in gigawatthours, in California in the most recent monthly issue of EPM published by the EIA, U.S. Department of Energy.

HOU = the historical relationship between petroleum consumptions in the effective month of the NF Rate Cap (month t) and the month for which petroleum consumption is reported in EPM (month r) using the following procedures:

- (1) summing the reported net-petroleum generation for California, expressed in gigawatthours, from EPM for month t for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of California's historical monthly consumption shall be divided by the number of years for which petroleum consumption was reported and rounded to the nearest gigawatthour;
- (2) summing the reported net-petroleum generation for California, expressed in gigawatthours, from EPM for month r for the years beginning with calendar year 1982 up to and including the prior calendar year. The sum of California's historical monthly consumption shall be divided by the number of years for which petroleum consumption was reported and rounded to the nearest gigawatthour; and

(3) dividing the average consumption of petroleum in California for the month  $t$  as determined in (1) above by the average consumption of petroleum for the month  $r$  or as determined in (2) above and rounding to the nearest one-tenth, or three significant places.

#### **D. Determination of BPA's Average System Cost**

For purposes of determining BASC, the following definitions shall apply:

1. BPA's total system costs shall be the sum of all BPA's costs forecasted in each general rate case for the applicable rate period, including total transmission costs, Federal base system costs, new resource costs, exchange resource costs, and other costs not specifically allocated to a rate pool, such as section 7(g) costs.
2. BPA's total annual system sales shall be the sum of all BPA's system firm and nonfirm sales forecasted in each general rate case for the applicable test period.

BASC shall be redetermined in each subsequent general rate case according to the above formula and will be in effect for the entire rate period over which the rates are in effect.

### **SECTION V. APPLICATION OF RATES UNDER SPECIAL CIRCUMSTANCES**

#### **A. Energy Supplied for Emergency Use**

A purchaser taking Priority Firm or New Resource Firm Power shall pay in accordance with the Nonfirm Energy rate schedule, NF-93, and Emergency Capacity rate schedule, CE-93, for any electric energy or capacity which has been supplied:

1. for use during an emergency on the purchaser's system, or

2. following an emergency to replace energy secured from sources other than BPA during such emergency.

Mutual emergency assistance may, however, be provided and payment therefore settled under exchange agreements.

#### **B. Construction, Test and Start-Up, and Station Service**

Power for the purpose of construction, test and start-up, and station service shall be made available to eligible purchasers under the Priority Firm and New Resource Firm Power Rate Schedules. Such power must be used in the manner specified below:

1. Power sold for construction is to be used in the construction of the project.
2. Power sold for test and start-up may be used prior to commercial operation both to bring the project on line and to ensure that the project is working properly.
3. Power sold for station service may be purchased at any time following commercial operation of the project. Station service power may be used for project start-up, project shut-down, normal plant operations, and operations during a plant shut-down period.

#### **C. Application of Rates During Initial Operation Period--Transitional Service**

##### **1. Eligibility for Transitional Service**

For an initial operating period, as specified in the power sales contract, beginning with the commencement of operation of a new industrial plant, a major addition to an existing plant, or reactivation of an existing plant or important part thereof, BPA may agree to bill the purchaser in accordance with the provisions of this section. This section shall apply to both:

- a. DSIs having new, additional or reactivated plant facilities, and
- b. utility purchasers serving industrial purchasers with power purchased from BPA. BPA will provide transitional service to utilities for only those industrial loads for which the demand can be separately metered by the utility and recorded on a daily basis.

## **2. Calculation of the Daily Demand**

If the purchaser requests billing on a Daily Demand basis pursuant to its power sales contract and if BPA agrees to such billing, the billing demand for the billing month shall be the average of the Daily Demands as adjusted for power factor.

Demand for each day shall be defined as 100 percent of the Measured Demand for the day (regardless of whether such Measured Demand occurs during the Peak Period or the Offpeak Period).

## **3. Billing for Transitional Service**

Utilities receiving transitional service shall provide BPA with Daily Demand information for the industrial consumer for whom transitional service is provided. To compute the power bill for the point of delivery which includes the load being served with transitional service, BPA shall, at its discretion, either:

- a. determine the demand for the pertinent point of delivery without the industrial load and then add the average daily demand for such industrial load; or
- b. bill the entire point of delivery on a daily demand basis.

Daily demand billing shall not affect the level of any curtailment charge or energy charge assessed by BPA.

## **D. Changes in a DSI's BPA Operating Level**

If a DSI requests a waiver regarding the notice requirements specified in the DSI's power sales contract for a voluntary change in its BPA Operating Level, and if BPA does not grant the waiver, or if the DSI fails to give notice of such a change and does not request a waiver, the DSI shall be billed as if no notice has been provided until such time as the number of days in the notice period have passed. If, however, BPA agrees to waive the notice requirement, the power bill shall reflect the requested changes as of the requested effective date specified in the notice or, at BPA's discretion, a date of BPA's choosing within the notice period.

## **E. Restriction of Deliveries**

Deliveries of capacity or energy to any purchaser may be restricted when operation of the facilities used by BPA to serve such purchaser is:

- 1. suspended,
- 2. interrupted,
- 3. interfered with,
- 4. curtailed, or
- 5. restricted by the occurrence of any condition described in the Uncontrollable Forces or Continuity of Service sections of the General Contract Provisions of the power sales contract.

# **SECTION VI. BILLING INFORMATION**

## **A. Determination of Estimated Billing Data**

If the amounts of capacity, energy, or the 60-minute integrated demands for energy purchased from BPA must be estimated from data other than metered or scheduled quantities, historical patterns, and pertinent weather data, BPA and the purchaser will agree on billing data to be used

in preparing the bill. If the parties cannot agree on estimated billing quantities, derived by any method, a determination binding on both parties shall be made in accordance with the arbitration provisions of the power sales contract.

#### **B. Load Shift and Outage Reports**

Load shift and outage reports must be submitted to BPA within 4 days of the corresponding load shift or outage. Reports may be made by telephone, mail, or other electronic processes where available. If customer reports are not received in a timely manner, BPA has the option to withhold load shift or outage credit.

#### **C. Billing for New Large Single Loads**

Any BPA customer whose actual firm load includes one or more New Large Single Loads (NLSL) shall be billed for the NLSL(s) at the New Resource Firm Power Rate. The power requirements associated with the NLSL shall be established in a manner consistent with the provisions of this section.

The purchaser shall warrant to BPA that NLSLs are separately metered. The metering must include provisions for determining:

1. the NLSL demand during BPA's diurnal capacity billing periods,
2. the NLSL energy during BPA's energy billing periods, and
3. the NLSL reactive energy for the billing month.

The design for the metering equipment for the NLSL must be approved by BPA. Testing and inspections of such metering installations shall be as provided in the General Contract Provisions.

On a monthly basis, each purchaser of New Resource Firm Power shall report to BPA the quantity of power used by the NLSL during the purchaser's billing period. Data provided to BPA by the purchaser must be submitted to BPA

within 2 normal working days of the date the purchaser reads the meters. BPA may elect to adjust the NLSL data for losses from the point of metering to the closest BPA point of delivery for the purchaser.

#### **D. Determination of Measured Demand**

1. For points of delivery with fully operational metering under the Revenue Metering System (RMS), demand shall be measured from 0000 hours on the first day of the billing period through 2400 hours on the last day of the billing period.
2. For points of delivery that do not have RMS metering, demand shall be measured from 0000 hours on the first complete (24 hour) day of the available metering data through 2400 hours on the last complete day of the available metering data. Billing demand will be determined from the period of available metering data that most closely matches the official billing period of the customer.

#### **E. Determination of Measured Energy**

1. For points of delivery with fully operational metering under RMS, energy shall be measured from 0000 hours on the first day of the billing period through 2400 hours on the last day of the billing period.
2. For points of delivery that do not have RMS metering, measured energy shall be the quantity of usage recorded on the meter between meter readings.

#### **F. Billing Month**

Meters normally will be read and bills computed at intervals of 1 month. A month is defined as the interval between scheduled meter-reading dates. The billing month will not exceed 31 days in any case. While it may be necessary to read meters on a day other than the scheduled meter-reading date, for determination of billing demand, the billing month will cease at 2400 hours on the last scheduled meter-reading date. Schedules will

be predetermined. The customer must give 30 days notice to request a change to the schedule.

## **G. Payment of Bills**

Bills for power shall be rendered monthly by BPA. Failure to receive a bill shall not release the purchaser from liability for payment. Bills for amounts due BPA of \$50,000 or more must be paid by direct wire transfer; customers who expect that their average monthly bill will not exceed \$50,000 and who expect special difficulties in meeting this requirement may request, and BPA may approve, an exemption from this requirement. Bills for amounts due BPA under \$50,000 may be paid by direct wire transfer or mailed to the Bonneville Power Administration, P.O. Box 6040, Portland, Oregon 97228-6040, or to another location as directed by BPA. The procedures to be followed in making direct wire transfers will be provided by the Office of Financial Management and updated as necessary.

### **1. Computation of Bills**

Demand and energy billings for power purchased under each rate schedule shall be rounded to whole dollar amounts, by eliminating any amount which is less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

### **2. Estimated Bills**

At its option, BPA may elect to render an estimated bill for that month to be followed at a subsequent billing date by a final bill. Such estimated bill shall have the validity of and be subject to the same payment provisions as a final bill.

### **3. Due Date**

Bills shall be due by close of business on the 20th day after the date of the bill (due date). This requirement holds also for revised bills

(see section 6 below). Should the 20th day be a Saturday, Sunday, or holiday (as celebrated by the purchaser), the due date shall be the next following business day.

### **4. Late Payment**

Bills not paid in full on or before close of business on the due date shall be subject to a penalty charge of \$25. In addition, an interest charge of one-twentieth percent (0.05 percent) shall be applied each day to the sum of the unpaid amount and the penalty charge. This interest charge shall be assessed on a daily basis until such time as the unpaid amount and penalty charge are paid in full.

Remittances received by mail will be accepted without assessment of the charges referred to in the preceding paragraph provided the postmark indicates the payment was mailed on or before the due date. Whenever a power bill or a portion thereof remains unpaid subsequent to the due date and after giving 30 days' advance notice in writing, BPA may cancel the contract for service to the purchaser. However, such cancellation shall not affect the purchaser's liability for any charges accrued prior thereto under such contract.

### **5. Disputed Billings**

In the event of a disputed billing, full payment shall be rendered to BPA and the disputed amount noted. Disputed amounts are subject to the late payment provisions specified above. BPA shall separately account for the disputed amount. If it is determined that the purchaser is entitled to the disputed amount, BPA shall refund the disputed amount with interest, as determined by BPA's Office of Financial Management.

BPA retains the right to verify, in a manner satisfactory to the Administrator, all data submitted to BPA for use in the calculation of BPA's rates and corresponding rate

adjustments. BPA also retains the right to deny eligibility for any BPA rate or corresponding rate adjustment until all submitted data have been accepted by BPA as complete, accurate, and appropriate for the rate or adjustment under consideration.

## 6. Revised Bills

As necessary, BPA may render a revised bill.

- a. If the amount of the revised bill is less than or equal to the amount of the original bill, the revised bill shall replace all previous bills issued by BPA that pertain to the specified customer for the specified billing period and the revised bill shall have the same date as the replaced bill.
- b. If a revision causes an additional amount to be due BPA or the specified customer beyond the amount of the original bill, a revised bill will be issued for the difference and the date of the revised bill shall be its date of issue.

## SECTION VII. VARIABLE INDUSTRIAL RATE PARAMETERS AND ADJUSTMENTS

### A. Monthly Average Aluminum Price Determination

#### 1. Calculation of the Monthly Billing Aluminum Price

The monthly billing aluminum price shall be determined by BPA for each billing month. For purposes of this rate schedule, the monthly billing aluminum price shall be based on the average price of aluminum in U.S. markets during the third calendar month prior to the billing month. The average price of aluminum in U.S. markets shall be defined as the average U.S. Transaction Price reported for the month by "Metals Week," in cents per pound, rounded to the nearest tenth of a cent.

#### 2. Notification of the Monthly Average Aluminum Price

BPA shall provide, 45 days prior to the billing month, written notification to purchasers under this rate schedule of the monthly billing aluminum price to be used for billing purposes. Upon written request supporting documentation shall be provided.

#### 3. Changes in Aluminum Price Indicators

In the event that BPA determines that factors outside its control render the monthly average U.S. Transaction Price unusable as an approximation of U.S. market prices, BPA may develop and substitute another indicator for prices in U.S. markets. BPA shall notify interested parties of its intent to do so at least 120 days prior to the billing month in which the change would become effective. In this notification, BPA shall explain the reason for the substitution and specify the replacement indicator it intends to use. BPA also shall describe the methodology to determine the monthly billing aluminum price to be used for billing purposes under this rate schedule and shall provide the necessary data to be used in the calculation. Interested persons will have until close of business 3 weeks from the date of the notification to provide comments. Consideration of comments and more current information may cause the final methodology and the substitute aluminum price index to differ from those proposed. BPA shall notify all affected parties, and those parties that submitted comments, of its final determination 90 days prior to the billing month the new indicator shall be effective.

### B. Annual Adjustments to the Lower and Upper Pivot Aluminum Prices

On July 1, 1991, and every July 1, thereafter, the Lower and Upper Pivot Aluminum Prices, as stated in section III.B of the rate schedule, shall be subject to change for billing purposes as herein described. The term "annual adjustment date" shall refer to July 1 of each year.

## **1. Implementation Procedures**

Beginning in 1991 and every year thereafter, prior to April 1 of that year, BPA shall provide the purchasers under this rate schedule preliminary written estimates of proposed adjustments to the Lower and Upper Pivot Aluminum Prices. By the last working day of the month of April, BPA shall notify interested parties in writing of BPA's revised determinations concerning changes to the Lower and Upper Pivot Aluminum Prices. BPA shall describe how the adjustments were determined and provide the data used in the calculations. In addition to written notification, BPA may, but is not obligated to, hold a public comment forum to clarify its determination and solicit comments. Interested persons may submit comments on the determinations to BPA and other parties. Comments will be accepted until close of business on the last working Friday in May. Consideration of comments and more current information may result in the final adjustment differing from the proposed adjustment. By June 30 of each year, BPA shall notify all VI purchasers, those parties that submitted comments, and parties that requested notification, of the final determination.

## **2. Annual Adjustment Procedures**

### **a. Annual Adjustment of the Lower Pivot Aluminum Price**

Beginning with the July 1, 1991, annual adjustment date, for each year that the Variable Industrial rate is in effect, the Lower Pivot Aluminum Price as stated in section III.B.1 of the rate schedule shall be adjusted on the July 1 annual adjustment date. The Lower Pivot Aluminum Price shall be revised by multiplying 59 cents per pound by the Cost Escalation Index described in section VII.B.3.b of these GRSPs and rounded to the nearest tenth of a cent. The revised Lower Pivot Aluminum

Price shall replace the Lower Pivot Aluminum Price as stated in section III.B.1 of the rate schedule and shall be used to determine the energy rate in the subsequent 12 billing months.

### **b. Annual Adjustment of the Upper Pivot Aluminum Price**

For each year that the Variable Industrial rate is in effect, the Upper Pivot Aluminum Price as stated in section III.B.2 of the rate schedule shall be adjusted on the July 1 annual adjustment date. The Upper Pivot Aluminum Price will be adjusted such that the Average Historical Aluminum Price described in section VII.B.4 of these GRSPs is the midpoint between the adjusted Upper Pivot Aluminum Price and the Average Historical Lower Pivot Aluminum Price described in section VII.B.5 below, except as limited to the greater of 65 cents per pound or the adjusted Lower Pivot Point for the year.

The Upper Pivot Aluminum Price shall equal the greater of:

(1) (2)\*(AAP) - ALP;

where

**AAP** = the Average Historical Aluminum Price described in section VII.B.4 of these GRSPs.

**ALP** = the Average Historical Lower Pivot Aluminum Price described in section VII.B.5 of these GRSPs.

(2) 65.0 cents per pound escalated to current dollars using the Cost Escalator for the Upper Pivot Aluminum Price described in section VII.B.3.c of these GRSPs.

or

(3) The adjusted Lower Pivot Aluminum Price for the year.

The revised Upper Pivot Aluminum Price shall supersede the Upper Pivot Aluminum Price as stated in section III.B.2 of the rate schedule and shall be used to determine the energy rate in the subsequent 12 months.

### 3. Cost Escalators

a. The cost indices described below shall be used in calculating the appropriate cost escalators. Each index shall be rounded to the nearest one-tenth of a percent, or three significant places.

#### (1) Electricity Cost Index

The average VI rate in mills per kilowatthour based on the Plateau Energy Charge and the Discount for Quality of First Quartile Service in effect on the April 1 preceding the annual adjustment date and a load factor of 98.5 percent; divided by 22.8 mills per kilowatthour (the average VI-86 rate assuming the plateau energy charge and the Discount for Quality of First Quartile Service in 1986).

#### (2) Labor Cost Index

The annual average hourly earnings for the U.S. primary aluminum industry (SIC 3334) over the previous complete calendar year, from the Employment and Earnings, published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS), divided by \$14.20 per hour (the value of SIC 3334 earnings reported for 1985).

#### (3) Alumina Cost Index

The annual average of the monthly billing aluminum prices described in section VII.A of the GRSPs for the previous 1-year period beginning July 1 through June 30 divided by 50.8 cents per pound (the average U.S. Transaction price over the period April 1985 through March 1986).

#### (4) Other Costs Index

The annual average GNP Implicit Price Deflator for the previous complete calendar year, as published by the U.S. Department of Commerce, Bureau of Economic Analysis, divided by 0.944 (the value of the GNP Implicit Price Deflator for 1985 with 1987 = 1.000).

In the event the indices delineated above are discontinued or revised in a manner that BPA determines renders them unusable for calculating a consistent cost index, BPA will adjust or substitute another similar price index, following advance notification and opportunity for public comment as described in section VII.B.1 of these GRSPs.

b. The Cost Escalator for the Lower Pivot Aluminum Price shall be a weighted average of the four indices contained in section VII.B.3.a above. The following weights shall be assigned each index:

Electricity Cost Index	.30
Labor Cost Index	.20
Alumina Cost Index	.20
Other Costs Index	.30

c. The Cost Escalator for the Upper Pivot Aluminum Price shall be a weighted average of the Electricity Cost and Other Cost Escalators as stated in

sections VII.B.3.a.(1) and VII.B.3.a.(4) above. The following weights shall be assigned each index:

Electricity Cost Index	.25
Other Costs Index	.75

#### **4. Average Historical Aluminum Price**

Prior to the July 1, 1991, annual adjustment date and every annual adjustment date thereafter, an average historical aluminum price shall be calculated for the period the VI rate has been in effect beginning August 1986. The average historical aluminum price shall be determined following the procedures set forth below:

- a. Each monthly billing aluminum price determined pursuant to section VII.A of these GRSPs for the period August 1, 1986, through June 30 immediately preceding the annual adjustment date, shall be escalated to the current year dollars using the Price Deflator procedures described in section VII.B.6 below.
- b. The sum of the escalated monthly billing aluminum prices shall be divided by the number of months in the period and rounded to the nearest tenth of a cent to obtain the Average Historical Aluminum Price.

#### **5. Average Historical Lower Pivot Aluminum Price**

Prior to the July 1, 1991, annual adjustment date and every annual adjustment date thereafter, the average of the Lower Pivot Aluminum Prices for the period the VI rate has been in effect beginning August 1986, shall be calculated following the procedures set forth below:

- a. The Lower Pivot Aluminum Price in each month for the period August 1, 1986, through June 30 of the calendar year preceding the annual adjustment date, shall be escalated to the current year's dollars using the Price Deflator procedures described in section VII.B.6 below.
- b. The sum of the escalated monthly Lower Pivot Aluminum Prices shall be divided by the number of months in the period, and rounded to the nearest tenth of a cent to obtain an Average Historical Lower Pivot Aluminum Price.

#### **6. Price Deflator Procedures**

For purposes of converting nominal dollars to real dollars in the calculation of the Average Historical Aluminum Price and the Average Historical Lower Pivot Aluminum Price, the following Price Deflator procedures shall be used:

- a. Monthly billing aluminum prices and Lower Pivot Aluminum Prices for any calendar months July through December shall be inflated by multiplying the price by the ratio of the GNP Implicit Price Deflator for the calendar year prior to the annual adjustment date divided by the Implicit Price Deflator for the calendar year in which the price occurred.
- b. Monthly billing aluminum prices and Lower Pivot Aluminum Prices for any calendar months January through June shall be inflated by multiplying the price by the ratio of the Implicit Price Deflator for the calendar year prior to the annual adjustment date divided by the Implicit Price Deflator for the calendar year prior to the year in which the price occurred. Each price shall be rounded to the nearest tenth of a cent.

Table 1

<b>Controllable Expenses in Rate Case Plan</b>			
<b>FY 1993-FY 1994</b>			
(\$ Millions)			
	<i>Post-distribution accrued expenses</i>		
	<u>FY 1993 /1</u>	<u>FY 1994 /2</u>	<u>Total FY 1993-FY 1994</u>
<b>System Operations &amp; Maintenance - BPA</b>			
Power Marketing	64.7	68.3	133.0
Power Scheduling	277.3	171.7	449.0
Transmission System Operations	32.7	37.2	69.9
Transmission System Maintenance	106.9	115.4	222.3
Transmission System Development	23.4	25.0	48.4
Generation Oversight	39.0	31.4	70.4
Conservation and Consumer Services	49.1	50.0	99.1
Fish & Wildlife	56.1	57.8	113.9
Undistributed Expense Reduction	0.0	-7.0 /3	-7.0
<b>Total Operations and Maintenance</b>	<b>649.2</b>	<b>549.8</b>	<b>1,199.0</b>
<b>Less Exclusions:</b>			
ESA Implementation (FR 1121)	-12.5	-14.6	-27.1
Power Purchases/Storage (SR 211)	-255.0	-136.1	-391.1
PNCA Interchange Expense (SR511)	-10.0	-24.2	-34.2
Court Ordered Settlements	0.0	0.0	0.0
<b>Controllable Expenses</b>	<b>371.7</b>	<b>374.9</b>	<b>746.6</b>

1/ Source: FY 1993 2nd Quarter Review as amended June 1993.

2/ Final proposal revenue requirements (revised revenue test).

3/ Reflects portion of \$15 million undistributed expense reduction that is prorated to System Operations and Maintenance - BPA programs in final proposal revenue requirements.

**1993**

**TRANSMISSION RATE SCHEDULES AND  
GENERAL TRANSMISSION RATE SCHEDULE PROVISIONS**

# TRANSMISSION RATE SCHEDULES AND GENERAL TRANSMISSION RATE SCHEDULE PROVISIONS

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## **Schedule FPT-93.1 Formula Power Transmission**

### **SECTION I. AVAILABILITY**

This schedule supersedes schedule FPT-91.1 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once a year. It is available for firm transmission of electric power and energy using the Main Grid and/or Secondary System of the Federal Columbia River Transmission System (FCRTS). This schedule is for full-year and partial-year service and for either continuous or intermittent service when firm availability of service is required. For facilities at voltages lower than the Secondary System, a different rate schedule may be specified. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions (GTRSPs).

### **SECTION II. RATE**

#### **A. Full-Year Service**

The monthly charge per kilowatt of billing demand shall be one-twelfth of the sum of the Main Grid Charge and the Secondary System Charge, as applicable and as specified in the Agreement.

##### **1. Main Grid Charge**

The Main Grid Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

- a. Main Grid Distance Factor: The amount computed by multiplying the Main Grid Distance by \$0.0371 per mile
- b. Main Grid Interconnection Terminal Factor: \$0.27

- c. Main Grid Terminal Factor: \$0.44
- d. Main Grid Miscellaneous Facilities Factor: \$1.88

#### **2. Secondary System Charge**

The Secondary System Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

- a. Secondary System Distance Factor: The amount determined by multiplying the Secondary System Distance by \$0.2784 per mile
- b. Secondary System Transformation Factor: \$4.10
- c. Secondary System Intermediate Terminal Factor: \$1.29
- d. Secondary System Interconnection Terminal Factor: \$0.68

#### **B. Partial-Year Service**

The monthly charge per kilowatt of billing demand shall be as specified in Section II.A. for all months of the year except for agreements with terms 5 years or less and which specify service for fewer than 12 months per year. The monthly charge shall be:

1. During months for which service is specified, the monthly charge defined in Section II.A., and
2. During other months, the monthly charge defined in Section II.A. multiplied by 0.2.

**Schedule FPT-93.1**  
**(Continued)**

**SECTION III. BILLING FACTORS**

Unless otherwise stated in the Agreement, the billing demand shall be the largest of:

- A. The Transmission Demand;**
- B. The highest hourly Scheduled Demand for the month; or**
- C. The Ratchet Demand.**

## **Schedule FPT-91.3** **Formula Power Transmission**

### **SECTION I. AVAILABILITY**

This schedule continues schedule FPT-91.3 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once every 3 years. It is available for firm transmission of electric power and energy using the Main Grid and/or Secondary System of the Federal Columbia River Transmission System. This schedule is for full-year and partial-year service and for either continuous or intermittent service when firm availability of service is required. For facilities at voltages lower than the Secondary System, a different rate schedule may be specified. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

### **SECTION II. RATE**

#### **A. Full-Year Service**

The monthly charge per kilowatt of billing demand shall be one-twelfth of the sum of the Main Grid Charge and the Secondary System Charge, as applicable and as specified in the Agreement.

##### **1. Main Grid Charge**

The Main Grid Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

- a. Main Grid Distance Factor: The amount computed by multiplying the Main Grid Distance by \$0.0281 per mile
- b. Main Grid Interconnection Terminal Factor: \$0.27
- c. Main Grid Terminal Factor: \$0.30

- d. Main Grid Miscellaneous Facilities Factor: \$1.31

##### **2. Secondary System Charge**

The Secondary System Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

- a. Secondary System Distance Factor: The amount determined by multiplying the Secondary System Distance by \$0.1961 per mile
- b. Secondary System Transformation Factor: \$2.53
- c. Secondary System Intermediate Terminal Factor: \$0.84
- d. Secondary System Interconnection Terminal Factor: \$0.44

#### **B. Partial-Year Service**

The monthly charge per kilowatt of billing demand shall be as specified in Section II.A. for all months of the year except for agreements with terms 5 years or less and which specify service for fewer than 12 months per year. The charge shall be:

1. During months for which service is specified, the monthly charge defined in Section II.A., and
2. During other months, the monthly charge defined in Section II.A. multiplied by 0.2.

**Schedule FPT-91.3  
(Continued)**

**SECTION III. BILLING FACTORS**

Unless otherwise stated in the Agreement, the billing demand shall be the largest of:

- A. The Transmission Demand;**
- B. The highest hourly Scheduled Demand for the month; or**
- C. The Ratchet Demand.**

## Schedule IR-93 Integration of Resources

### **SECTION I. AVAILABILITY**

This schedule supersedes IR-91 and is available for firm transmission service for electric power and energy using the Main Grid and/or Secondary System of the Federal Columbia River Transmission System. The definitions of Main Grid and Secondary Systems are the same as for the FPT-93.1 and FPT-91.3 rate schedules and are contained in the General Transmission Rate Schedule Provisions (GTRSPs). For facilities at voltages lower than the Secondary System, a different rate schedule may be specified. Service under this schedule is subject to BPA's GTRSPs.

### **SECTION II. RATE**

The monthly charge shall be the sum of A and B where:

#### **A. Demand Charge**

1. \$0.424 per kilowatt of billing demand; or
2. For Points of Integration (POI) specified in the Agreement as being short distance POIs, for which Main Grid and Secondary System facilities are used for a distance of less than 75 circuit miles, the following formula applies:

$$[(0.2 + (0.8/75 \times \text{transmission distance})) \times (\$0.424 \text{ per kilowatt of billing demand})]$$

Where:

the billing demand for a short distance POI is the demand level specified in the Agreement for such POI, and the transmission distance is the circuit miles between the POI for a generating resource of the customer and a designated Point of Delivery serving load of the customer. Short distance POIs

are determined by BPA after considering factors in addition to transmission distance.

#### **B. Energy Charge**

1.06 mills per kilowatthour of billing energy.

### **SECTION III. BILLING FACTORS**

To the extent that the Agreement provides for the customer to be billed for transmission in excess of the Transmission Demand or Total Transmission Demand, as defined in the Agreement, at the nonfirm transmission rate (currently ET-93), such transmission service shall not contribute to either the Billing Demand or the Billing Energy for the IR rate provided that the customer requests such treatment and BPA approves in accordance with the prescribed provisions in the Agreement.

#### **A. Billing Demand**

The billing demand shall be the largest of:

1. The Transmission Demand, except under General Transmission Agreements where a Total Transmission Demand is defined;
2. The highest hourly Scheduled Demand for the month; or
3. The Ratchet Demand.

#### **B. Billing Energy**

The billing energy shall be the monthly sum of scheduled kilowatthours.

**Schedule IS-93**  
**Southern Intertie Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes IS-91 and is available for all transmission on the Southern Intertie. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

**A. Nonfirm Transmission Rate**

The charge for nonfirm transmission of non-BPA power shall be 3.11 mills per kilowatthour of billing energy. This charge applies for both north-to-south and south-to-north transactions.

**B. Firm Transmission Rate**

The charge for firm transmission service shall be \$0.706 per kilowatt per month of billing demand and 1.69 mills per kilowatthour of billing energy. Firm transmission will only be made available to customers under this rate schedule who have executed a contract with BPA specifying use of the Firm Transmission rate for either north-to-south or south-to-north transactions.

**SECTION III. BILLING FACTORS**

**A. For services under Section II.A, the billing energy shall be the monthly sum of the scheduled kilowatthours, plus the monthly sum of kilowatthours allocated but not scheduled. The amount of allocated but not scheduled energy that is subject to billing may be reduced pro rata by BPA due to forced Intertie outages and other uncontrollable forces that may reduce Intertie capacity. The amount of allocated but not scheduled energy that is subject to billing**

also may be reduced upon mutual agreement between BPA and the customer.

**B. For services under Section II.B, the billing demand shall be the Transmission Demand as defined in the Agreement. The billing energy shall be the monthly sum of scheduled kilowatthours, unless otherwise specified in the Agreement.**

**Schedule IN-93**  
**Northern Intertie Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes IN-91 and is available for all transmission on the Northern Intertie pursuant to an Agreement. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The charge for transmission of non-BPA power on the Northern Intertie shall be 0.86 mills per kilowatthour.

**SECTION III. BILLING FACTORS**

**Billing Energy**

The billing energy shall be the monthly sum of the scheduled kilowatthours.

**Schedule IE-93**  
**Eastern Intertie Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes IE-91 and is available for all nonfirm transmission on the Eastern Intertie. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The charge for nonfirm transmission on the Eastern Intertie shall be 2.04 mills per kilowatthour.

**SECTION III. BILLING FACTORS**

**Billing Energy**

The billing energy shall be the monthly sum of the scheduled kilowatthours.

**Schedule ET-93**  
**Energy Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes ET-91, unless otherwise specified in the Agreement, with respect to delivery using Federal Columbia River Transmission System facilities other than the Southern Intertie, Eastern Intertie, or the Northern Intertie, and is available for firm (of not more than 1 year duration) or nonfirm transmission between points within the Pacific Northwest. BPA may interrupt nonfirm service which is provided under this rate schedule. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The charge for transmission of non-BPA power shall be 2.02 mills per kilowatthour.

**SECTION III. BILLING FACTORS**

**Billing Energy**

The billing energy shall be the monthly sum of scheduled kilowatthours.

**Schedule MT-91**  
**Market Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes MT-89 and is available for Transmission Service for transactions using Federal Columbia River Transmission System facilities pursuant to the Western Systems Power Pool (WSPP) Agreement. General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The charge shall be determined in advance by BPA. The charge shall be based on the duration of the proposed transaction and shall not exceed the following rates.

**A. Hourly Rate**

The maximum charge shall be 6.5 mills per kilowatthour where the total hourly revenues from a given transaction during a calendar day shall not exceed the product of the Daily rate and the maximum demand scheduled during such day.

**B. Daily Rate**

The maximum charge shall be \$.105 per kilowattday where the total demand charge revenues in any consecutive 7-day period shall not exceed the product of the Weekly rate and the highest demand experienced on any day in the 7-day period.

**C. Weekly Rate**

The maximum charge shall be \$.52 per kilowattweek.

**D. Monthly Rate**

The maximum charge shall be \$2.27 per kilowattmonth.

**SECTION III. BILLING FACTORS**

The billing factors shall be specified in advance by BPA, as to representing the Transmission Service use or reservation.

**Schedule UFT-83**  
**Use-of-Facilities Transmission**

**SECTION I. AVAILABILITY**

This schedule supersedes UFT-1 and UFT-2 unless otherwise provided in the Agreement, and is available for firm transmission over specified Federal Columbia River Transmission System facilities. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The monthly charge per kilowatt of Transmission Demand specified in the Agreement shall be one-twelfth of the annual cost of capacity of the specified facilities divided by the sum of Transmission Demands (in kilowatts) using such facilities. Such annual cost shall be determined in accordance with Section III.

**SECTION III. DETERMINATION OF TRANSMISSION RATE**

**A.** From time to time, but not more often than once in each Contract Year, BPA shall determine the following data for the facilities which have been constructed or otherwise acquired by BPA and which are used to transmit electric power:

- 1.** The annual cost of the specified FCRTS facilities, as determined from the capital cost of such facilities and annual cost ratios developed from the Federal Columbia River Power System financial statement, including interest and amortization, operation and maintenance, administrative and general, and general plant costs.
- 2.** The yearly noncoincident peak demands of all users of such facilities or other reasonable measurement of the facilities' peak use.

**B.** The monthly charge per kilowatt of billing demand shall be one-twelfth of the sum of the annual cost of the FCRTS facilities used divided by the sum of Transmission Demands. The annual cost per kilowatt of Transmission Demand for a facility constructed or otherwise acquired by BPA shall be determined in accordance with the following formula:

**A**  
**D**

Where:

**A** = The annual cost of such facility as determined in accordance with A.1. above.

**D** = The sum of the yearly noncoincident demands on the facility as determined in accordance with A.2. above.

The annual cost per kilowatt of facilities listed in the Agreement which are owned by another entity, and used by BPA for making deliveries to the transferee, shall be determined from the costs specified in the Agreement between BPA and such other entity.

**SECTION IV. DETERMINATION OF BILLING DEMAND**

Unless otherwise stated in the Agreement, the factor to be used in determining the kilowatts of billing demand shall be the largest of:

- A.** The Transmission Demand in kilowatts specified in the Agreement;
- B.** The highest hourly Measured or Scheduled Demand for the month, the Measured Demand being adjusted for power factor; or
- C.** The Ratchet Demand.

**Schedule TGT-1**  
**Townsend-Garrison Transmission**

**SECTION I. AVAILABILITY**

This schedule shall apply to all agreements which provide for the firm transmission of electric power and energy over transmission facilities of BPA's section of the Montana [Eastern] Intertie. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The monthly charge shall be one-twelfth of the sum of the annual charges listed below, as applicable and as specified in the agreements for firm transmission. The Townsend-Garrison 500-kV lines and associated terminal, line compensation, and communication facilities are a separately identified portion of the Federal Transmission System. Annual revenues plus credits for government use should equal annual costs of the facilities, but in any given year there may be either a surplus or a deficit. Such surpluses or deficits for any year shall be accounted for in the computation of annual costs for succeeding years. Revenue requirements for firm transmission use will be decreased by any revenues received from nonfirm use and credits for all government use. The general methodology for determining the firm rate is to divide the revenue requirement by the total firm capacity requirements. Therefore, the higher the total capacity requirements, the lower will be the unit rate.

If the government provides firm transmission service in its section of the Montana [Eastern] Intertie in exchange for firm transmission service in a customer's section of the Montana Intertie, the payment by the government for such transmission services provided by such customer will be made in the form of a credit in the calculation of the Intertie Charge for such customer. During an estimated 1- to 3-year period following the commercial operation of the

third generating unit at the Colstrip Thermal Generating Plant at Colstrip, Montana, the capability of the Federal Transmission System west of Garrison Substation may be different from the long-term situation. It may not be possible to complete the extension of the 500-kV portion of the Federal Transmission System to Garrison by such commercial operation date. In such event, the 500/230 kV transformer will be an essential extension of the Townsend-Garrison Intertie facilities, and the annual costs of such transformer will be included in the calculation of the Intertie Charge.

However, starting 1 month after extension to Garrison of the 500-kV portion of the Federal Transmission System, the annual costs of such transformer will no longer be included in the calculation of the Intertie Charge.

**A. Nonfirm Transmission Charge:**

This charge will be filed as a separate rate schedule and revenues received thereunder will reduce the amount of revenue to be collected under the Intertie Charge below.

**B. Intertie Charge for Firm Transmission Service:**

Intertie Charge =

$$[((TAC/12)-NFR) \times \frac{(CR-EC)}{TCR}]$$

**SECTION III. DEFINITIONS**

**A. TAC =** Total Annual Costs of facilities associated with the Townsend-Garrison 500-kV Transmission line including terminals, and prior to extension of the 500-kV portion of the Federal Transmission System to Garrison, the 500/230 kV transformer at Garrison. Such annual costs

**Schedule TGT-1**  
**(Continued)**

are the total of: (1) interest and amortization of associated Federal investment and the appropriate allocation of general plant costs; (2) operation and maintenance costs; (3) allowance for BPA's general administrative costs which are appropriately allocable to such facilities, and (4) payments made pursuant to section 7(m) of Public Law 96-501 with respect to these facilities. Total Annual Costs shall be adjusted to reflect reductions to unpaid total costs as a result of any amounts received, under agreements for firm transmission service over the Montana Intertie, by the government on account of any reduction in Transmission Demand, termination or partial termination of any such agreement or otherwise to compensate BPA for the unamortized investment, annual cost, removal, salvage, or other cost related to such facilities.

- B.** **NFR** = Nonfirm Revenues, which are equal to: (1) the product of the Nonfirm Transmission Charge described in II(A) above, and the total nonfirm energy transmitted over the Townsend-Garrison line segment under such charge for such month; plus (2) the product of the Nonfirm Transmission Charge and the total nonfirm energy transmitted in either direction by the Government over the Townsend-Garrison line segment for such month.
- C.** **CR** = Capacity Requirement of a customer on the Townsend-Garrison 500-kV transmission facilities as specified in its firm transmission agreement.
- D.** **TCR** = Total Capacity Requirement on the Townsend-Garrison 500-kV transmission facilities as calculated by adding (1) the sum of all Capacity Requirements (CR) specified in transmission agreements described in section I; and (2) the Government's firm capacity requirement. The Government's

firm capacity requirement shall be no less than the total of the amounts, if any, specified in firm transmission agreements for use of the Montana Intertie.

- E.** **EC** = Exchange Credit for each customer which is the product of: (1) the ratio of investment in the Townsend-Broadview 500-kV transmission line to the investment in the Townsend-Garrison 500-kV transmission line; and (2) the capacity which the Government obtains in the Townsend-Broadview 500-kV transmission line through exchange with such customer. If no exchange is in effect with a customer, the value of EC for such customer shall be zero.

**Schedule AC-93**  
**Southern Intertie Annual Cost**

**SECTION I. AVAILABILITY**

This schedule is applicable to all parties (New Owners) that execute PNW AC Intertie Capacity Ownership Agreements (Agreements) and will be effective on the date described in the Agreement. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

**SECTION II. RATE**

The rate charges reflect the terms of the Memorandum of Understanding (MOU), signed in the Fall of 1991, between BPA and potential New Owners. The MOU provides for the payment by New Owners of their prorated share of: (1) BPA's annual operations, maintenance, and general plant expense (including applicable overheads) properly chargeable to the AC Intertie facilities; and (2) BPA's share of capitalized replacements on the AC Intertie. The monthly charge shall be the sum of the charges specified in sections II.A and II.B.

**A. Operations, Maintenance, and General Plant**

The monthly charge shall equal \$325 per megawatt of billing demand.

**B. Replacements**

The monthly charge shall equal \$0 per megawatt of billing demand.

**SECTION III. ADJUSTMENT TO REPLACEMENTS RATE**

**A. Determination of Billing Adjustment**

New Owners will receive a billing adjustment if BPA incurs AC Intertie replacement cost during the rate period. The Replacements Rate Adjustment equals:

AC Intertie work orders (\$000) \* %

725 MW \* # months

where:

"# months" equals: (1) the number of months that this rate schedule is in effect during the fiscal year for the Initial Replacements Rate Adjustment; or (2) the number of months in the rate period for the Final Replacements Rate Adjustment; and

"%" equals the New Owners' percentage share of BPA's total AC Intertie Rated Transfer Capability as specified in the Agreements.

**B. Initial Replacements Rate Adjustment**

New Owners will receive a billing adjustment for each fiscal year that BPA incurs AC Intertie replacement cost. At the end of each fiscal year, the cost associated with AC Intertie capital replacement work orders that have closed during the fiscal year will be determined. The unit rate that would result using these closed work orders is the basis of the Initial Replacements Rate Adjustment.

**1. Notice Provisions**

Following each fiscal year, BPA shall notify all New Owners by December 15 of the proposed Replacements Rate Adjustment. BPA will provide the calculation of the adjustment and a short description of the work performed and the associated cost used as the basis for the billing adjustment. In addition to written notification, BPA may, but is not obligated to, hold a public meeting to clarify its determinations.

**Schedule AC-93**  
**(Continued)**

Written comments on the Initial Replacements Rate Adjustment will be accepted through the end of January. Consideration of comments submitted by the New Owners may result in the billing adjustment differing from the initially proposed adjustment. BPA shall notify all New Owners of the Initial Replacements Rate Adjustment by the last day of February.

**2. Adjustment of Monthly Bills**

An adjustment will be made on the New Owner's monthly bill prepared during March. The Initial Replacements Rate adjustment will be multiplied by the sum of the monthly billing factors from the relevant fiscal year (i.e., the New Owner's share in megawatts of BPA's PNW AC Intertie Rated Transfer Capability multiplied by the number of months that this rate schedule is effective during the fiscal year). The Initial Replacements Rate Adjustment will appear as a charge to the New Owner on the monthly bill prepared during March.

**C. Final Replacements Rate Adjustment**

The actual costs associated with the AC Intertie capital replacement work orders that occur during the rate period may change after BPA performs its final analysis of the work orders. BPA shall compare the unit rate for the rate period using the results of the final work order analysis to the weighted average of the unit rates from the Initial Replacements Rate Adjustments.

**1. Notice Provisions**

BPA shall notify all New Owners in May 1998 of the results of the calculations, an explanation of work

order change(s), and any resulting billing adjustment. Written comments from New Owners will be accepted through the end of June. BPA shall notify all New Owners of the Final Replacements Rate Adjustment by July 31. Consideration of comments submitted by the New Owners may result in the Final Replacements Rate Adjustment differing from the initially proposed adjustment.

**2. Adjustment of Monthly Bills**

If the absolute value of the Final Replacements Rate Adjustment is greater than or equal to \$1 per megawatt per month, an adjustment will be made on the New Owner's monthly bill prepared during August. For each New Owner, the Final Replacements Rate Adjustment will be multiplied by the sum of the monthly billing factors from the relevant fiscal years (i.e., the New Owner's share in megawatts of BPA's PNW AC Intertie Rated Transfer Capability multiplied by the number of months that this rate schedule is effective during the fiscal years). The Final Replacements Rate Adjustment will appear as a charge or credit to the New Owner on the monthly bill prepared during August. Interest, as determined by BPA's Office of Financial Management, will be included in any adjustment.

**SECTION IV. BILLING FACTOR**

The billing demand shall be the New Owner's capacity ownership share in megawatts of BPA's PNW AC Intertie Rated Transfer Capability as specified in the Agreement.

## **General Transmission Rate Schedule Provisions**

### **SECTION I. ADOPTION OF REVISED TRANSMISSION RATE SCHEDULES AND GENERAL TRANSMISSION RATE SCHEDULE PROVISIONS (GTRSPs)**

#### **A. Approval of Rates**

These rate schedules and GTRSPs shall become effective upon interim approval or upon final confirmation and approval by FERC. BPA will request FERC approval effective October 1, 1993.

#### **B. General Provisions**

These 1993 Transmission Rate Schedules and associated GTRSPs are virtually identical to and supersede BPA's 1991 Transmission Rate Schedules and GTRSPs (which became effective October 1, 1991) but do not supersede prior rate schedules required by agreement to remain in force.

Transmission service provided shall be subject to the following Acts, as amended: the Bonneville Project Act, the Regional Preference Act (P.L. 88-552), the Federal Columbia River Transmission System Act, and the Pacific Northwest Electric Power Planning and Conservation Act, and the Energy Policy Act of 1992, Pub. L. 102-486, 106 Stat. 2776 (1992).

The meaning of terms used in the transmission rate schedules shall be as defined in agreements or provisions which are attached to the Agreement or as in any of the above Acts.

#### **C. Interpretation**

If a provision in the executed Agreement is in conflict with a provision contained herein, the former shall prevail.

### **SECTION II. BILLING FACTOR DEFINITIONS AND BILLING ADJUSTMENTS**

#### **A. Billing Factors**

##### **1. Scheduled Demand**

The largest of hourly amounts wheeled which are scheduled by the customer during the time period specified in the rate schedules.

##### **2. Metered Demand**

The Metered Demand in kilowatts shall be the largest of the 60-minute clock-hour integrated demands measured by meters installed at each POD during each time period specified in the applicable rate schedule. Such measurements shall be made as specified in the Agreement. BPA, in determining the Metered Demand, will exclude any abnormal readings due to or resulting from: (a) emergencies or breakdowns on, or maintenance of, the FCRTS; or (b) emergencies on the customer's facilities, provided that such facilities have been adequately maintained and prudently operated as determined by BPA. If more than one class of power is delivered to any POD, the portion of the metered quantities assigned to any class of power shall be as agreed to by the parties. The amount so assigned shall constitute the Metered Demand for such class of power.

### **3. Transmission Demand**

The demand as defined in the Agreement.

### **4. Total Transmission Demand**

The sum of the transmission demands as defined in the Agreement.

### **5. Ratchet Demand**

The maximum demand established during the previous 11 billing months. Exception: If a Transmission Demand or Total Transmission Demand has been decreased pursuant to the terms of the Agreement during the previous 11 billing months, such decrease will be reflected in determining the Ratchet Demand.

## **B. Billing Adjustments**

### **Average Power Factor**

The adjustment for average power factor, when specified in a transmission rate schedule or in the Agreement, shall be made in accordance with the average power factor section of the General Wheeling Provisions.

To maintain acceptable operating conditions on the Federal system, BPA may restrict deliveries of power at any time that the average leading power factor or average lagging power factor for all classes of power delivered to such point or to such system is below 85 percent.

## **SECTION III. OTHER DEFINITIONS**

Definitions of the terms below shall be applied to these provisions and the Transmission Rate Schedules, unless otherwise defined in the Agreement.

### **A. Agreement**

An agreement between BPA and a customer to which these rate schedules and provisions may be applied.

### **B. Eastern Intertie**

The segment of the FCRTS for which the transmission facilities consist of the Townsend-Garrison double-circuit 500 kV transmission line segment including related terminals at Garrison.

### **C. Electric Power**

Electric peaking capacity (kW) and/or electric energy (kWh).

### **D. Federal Columbia River Transmission System**

The transmission facilities of the Federal Columbia River Power System, which include all transmission facilities owned by the government and operated by BPA, and other facilities over which BPA has obtained transmission rights.

### **E. Firm Transmission Service**

Transmission service which BPA provides for any non-BPA power except for transmission service which is scheduled as nonfirm. If the firm service is provided pursuant to the Agreement, the terms of the Agreement may further define the service.

### **F. Integrated Network**

The segment of the FCRTS for which the transmission facilities provide the bulk of transmission of electric power within the Pacific Northwest, excluding facilities not segmented to the network as shown in the Wholesale Power Rate Development Study used in BPA's rate development.

**G. Main Grid**

As used in the FPT and IR rate schedules, that portion of the Integrated Network with facilities rated 230 kV and higher.

**H. Main Grid Distance**

As used in the FPT rate schedules, the distance in airline miles on the Main Grid between the POI and the POD, multiplied by 1.15.

**I. Main Grid Interconnection Terminal**

As used in the FPT rate schedules, Main Grid terminal facilities that interconnect the FCRTS with non-BPA facilities.

**J. Main Grid Miscellaneous Facilities**

As used in the FPT rate schedules, switching, transformation, and other facilities of the Main Grid not included in other components.

**K. Main Grid Terminal**

As used in the FPT rate schedules, the Main Grid terminal facilities located at the sending and/or receiving end of a line exclusive of the Interconnection terminals.

**L. Nonfirm Transmission Service**

Interruptible transmission service which BPA may provide for non-BPA power.

**M. Northern Intertie**

The segment of the FCRTS for which the transmission facilities consist of two 500 kV lines between Custer Substation and the United States-Canadian border, one 500 kV line between Custer and Monroe Substations, and two 230 kV lines from Boundary Substation to the United States-Canadian border, and the associated substation facilities.

**N. Point of Integration (POI)**

Connection points between the FCRTS and non-BPA facilities where non-Federal power is made available to BPA for wheeling.

**O. Point of Delivery (POD)**

Connection points between the FCRTS and non-BPA facilities where non-Federal power is delivered to a customer by BPA.

**P. Secondary System**

As used in the FPT and IR rate schedules, that portion of the Integrated Network facilities with operating voltage of 115 kV or 69 kV.

**Q. Secondary System Distance**

As used in the FPT rate schedules, the number of circuit miles of Secondary System transmission lines between the secondary POI and the Main Grid or the secondary POD, or the Main Grid and the secondary POD.

**R. Secondary System Interconnection Terminal**

As used in the FPT rate schedules, the terminal facilities on the Secondary System that interconnect the FCRTS with non-BPA facilities.

**S. Secondary System Intermediate Terminal**

As used in the FPT rate schedules, the first and final terminal facilities in the Secondary System transmission path exclusive of the Secondary System Interconnection terminals.

**T. Secondary Transformation**

As used in the FPT rate schedules, transformation from Main Grid to Secondary System facilities.

## **U. Southern Intertie**

The segment of the FCRTS for which the major transmission facilities consist of two 500 kV AC lines from John Day Substation to the Oregon-California border; a portion of the 500 kV AC line from Buckley Substation to Summer Lake Substation; when completed, the Third AC facilities, which include Captain Jack Substation and the Alvey-Meridian 500 kV AC line; one 1,000 kV DC line between the Celilo Substation and the Oregon-Nevada border; and associated substation facilities.

## **V. Transmission Service**

As used in the MT rate schedule, Transmission Service is as defined in the Western Systems Power Pool Agreement.

# **SECTION IV. BILLING INFORMATION**

## **A. Payment of Bills**

Bills for transmission service shall be rendered monthly by BPA. Failure to receive a bill shall not release the customer from liability for payment. Bills for amounts due of \$50,000 or more must be paid by direct wire transfer; customers who expect that their average monthly bill will not exceed \$50,000 and who expect special difficulties in meeting this requirement may request, and BPA may approve, an exemption from this requirement. Bills for amounts due BPA under \$50,000 may be paid by direct wire transfer or mailed to the Bonneville Power Administration, P.O. Box 6040, Portland, Oregon 97228-6040, or to another location as directed by BPA. The procedures to be followed in making direct wire transfers will be provided by the Office of Financial Management and updated as necessary.

### **1. Computation of Bills**

The transmission billing determinant is the electric power quantified by the

method specified in the Agreement or Transmission Rate Schedule. Scheduled power or metered power will be used.

The transmission customer shall provide necessary information to BPA for any computation required to determine the proper charges for use of the FCRTS, and shall cooperate with BPA in the exchange of additional information which may be reasonably useful for respective operations.

Demand and energy billings for transmission service under each applicable rate schedule shall be rounded to whole dollar amounts, by eliminating any amount which is less than 50 cents and increasing any amounts from 50 cents through 99 cents to the next higher dollar.

### **2. Estimated Bills**

At its option, BPA may elect to render an estimated bill to be followed at a subsequent billing date by a final bill. The estimated bill shall have the validity of and be subject to the same payment provisions as a final bill.

### **3. Billing Month**

For charges based on scheduled quantities, the billing month is the calendar month. For charges based on metered quantities, the billing month is defined as the interval between scheduled meter-reading dates. The billing month will not exceed 31 days in any case. While it may be necessary to read meters on a day other than the scheduled meter-reading date, for determination of billing demand, the billing month will cease at 2400 hours on the last scheduled meter-reading date. Schedules will be predetermined. The customer must give 30 days notice to request a change to the schedule.

#### **4. Due Date**

Bills shall be due by close of business on the 20th day after the date of the bill (due date). Should the 20th day be a Saturday, Sunday, or holiday (as celebrated by the customer), the due date shall be the next following business day.

#### **5. Late Payment**

Bills not paid in full on or before close of business on the due date shall be subject to a penalty charge of \$25. In addition, an interest charge of one-twentieth percent (0.05 percent) shall be applied each day to the sum of the unpaid amount and the penalty charge. This interest charge shall be assessed on a daily basis until such time as the unpaid amount and penalty charge are paid in full.

Remittances received by mail will be accepted without assessment of the charges referred to in the preceding paragraph provided the postmark indicates the payment was mailed on or before the due date. Whenever a power bill or a portion thereof remains unpaid subsequent to the due date and after giving 30 days' advance notice in writing, BPA may cancel the contract for service to the customer. However, such cancellation shall not affect the customer's liability for any charges accrued prior thereto under such agreement.

#### **6. Disputed Billings**

In the event of a disputed billing, full payment shall be rendered to BPA and the disputed amount noted. Disputed amounts are subject to the late payment provisions specified above. BPA shall separately account for the disputed amount. If it is determined that the customer is entitled to the disputed

amount, BPA shall refund the disputed amount with interest, as determined by BPA's Office of Financial Management.

BPA retains the right to verify, in a manner satisfactory to the Administrator, all data submitted to BPA for use in the calculation of BPA's rates and corresponding rate adjustments. BPA also retains the right to deny eligibility for any BPA rate or corresponding rate adjustment until all submitted data have been accepted by BPA as complete, accurate, and appropriate for the rate or adjustment under consideration.

#### **7. Revised Bills**

As necessary, BPA may render a revised bill.

- a. If the amount of the revised bill is less than or equal to the amount of the original bill, the revised bill shall replace all previous bills issued by BPA that pertain to the specified customer for the specified billing period and the revised bill shall have the same date as the replaced bill.
- b. If a revision causes an additional amount to be due BPA or the specified customer beyond the amount of the original bill, a revised bill will be issued for the difference and the date of the revised bill shall be its date of issue.

**DATE  
FILMED**

**12 / 28 / 93**

**END**