



DEPARTMENT OF ENERGY

Western Area Power Administration

Central Valley Project\Power, Transmission, and Ancillary Services and California-Oregon Transmission Project Transmission Service - Rate Order No. WAPA-207

AGENCY: Western Area Power Administration, Department of Energy (DOE).

ACTION: Notice of rate order concerning power, transmission, and ancillary services formula rates.

SUMMARY: The formula rates for the Sierra Nevada Region (SN) Central Valley Project (CVP) power, transmission, and ancillary services and California-Oregon Transmission Project (COTP) transmission service have been confirmed, approved, and placed into effect on an interim basis. These new formula rates replace the existing formula rates which expire on September 30, 2024, and December 31, 2024. There are no changes to the existing formula rates for these services and there are no material changes aside from updating the effective dates.

DATES: The Provisional Formula Rates under Rate Schedules CV-F14, CPP-3, CV-T4, CV-NWT6, COTP-T4, CV-TPT8, CV-UUP2, CV-SPR5, CV-SUR5, CV-RFS5, CV-EID6, CV-GID3, CV-SSP3, CV-EIM1S1, CV-EIM4S1, and CV-EIM9S1 are effective on the first day of the first full billing period beginning on or after October 1, 2024, and will remain in effect through September 30, 2029, pending confirmation and approval by the Federal Energy Regulatory Commission (FERC) on a final basis or until superseded.

FOR FURTHER INFORMATION CONTACT: Michelle Williams, Regional Manager, Sierra Nevada Region, Western Area Power Administration, 114 Parkshore Drive, Folsom, CA 95630, or Autumn Wolfe, Rates Manager, Sierra Nevada Region,

Western Area Power Administration, (916) 353-4686, or email: *SNR-*

RateCase@wapa.gov.

SUPPLEMENTARY INFORMATION: On December 2, 2011, FERC confirmed and approved Rate Schedules for CVP power, transmission, and ancillary services; COTP transmission; and Pacific Alternating Current Intertie (PACI) transmission under Rate Order No. WAPA-156. That rate order was extended by Rate Order Nos. WAPA-173 and WAPA-185. These rates are set to expire on September 30, 2024.¹ The formula rate schedules are:

- CV-F13 Base Resource and First Preference Power
- CPP-2 Custom Product Power
- CV-T3 Firm and Non-Firm Point-to-Point Transmission Service
- CV-NWT5 Network Integration Transmission Service
- COTP-T3 Firm and Non-Firm Point-to-Point Transmission Service
- PACI-T3 Firm and Non-Firm Point-to-Point Transmission Service (to be handled in a separate rate case)
- CV-TPT7 Third-Party Transmission Service
- CV-UUP1 Unreserved Use Penalties
- CV-RFS4 Regulation and Frequency Response
- CV-SPR4 Spinning Reserves
- CV-SUR4 Supplemental Reserves

On April 27, 2021, FERC confirmed and approved Rate Order No. WAPA-194, which placed into effect formula rates for the Energy Imbalance Market (EIM) services, Sale of Surplus Products, and revisions to existing rate schedules for Energy Imbalance and Generator Imbalance services. These rates are being superseded as they were not set to

¹ See Docket No. EF11-9-00 (137 FERC ¶62,201) (2011). Extended by Docket No. EF16-3-000 (156 FERC ¶62,039) (2016). Extended by Docket No. EF19-4-000 (168 FERC ¶62,150) (2019).

expire until December 31, 2024.² The formula rate schedules are:

- CV-EIM1S EIM Administrative Service Charge
- CV-EIM4S EIM Energy Imbalance Service
- CV-EIM9S EIM Generator Imbalance Service
- CV-SSP2 Sale of Surplus Products
- CV-EID5 Energy Imbalance Service
- CV-GID2 Generator Imbalance Service

Western Area Power Administration (WAPA) published a *Federal Register* notice (Proposed FRN) on August 30, 2023 (88 FR 59909), proposing new formula rates for CVP power, transmission, and ancillary services and COTP transmission service. The Proposed FRN also initiated a 90-day public consultation and comment period (which was subsequently extended another 30-days)³ and set forth the date and location of the public information and public comment forums. The rates continue the formula-based methodology that includes an annual update to the financial, load, and other data in the rate formulas.

Legal Authority

By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the WAPA-SN Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, or to remand or disapprove such rates, to FERC. By Delegation Order No. S1-DEL-S3-2023, effective April 10, 2023, the Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for

² See Docket No. EF21-1-000 (86 FERC ¶11760) (2021).

³ 88 FR 80293 (Nov. 17, 2023).

Infrastructure. By Redelegation Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This rate action is issued under Redelegation Order No. S3-DEL-WAPA1-2023 and Department of Energy procedures for public participation in rate adjustments set forth at 10 CFR part 903.⁴

Following review of WAPA-SN's proposal, Rate Order No. WAPA-207, which provides the formula rates for CVP power, transmission, and ancillary services and COTP transmission service, is hereby confirmed, approved, and placed into effect on an interim basis. WAPA-SN will submit Rate Order No. WAPA-207 to FERC for confirmation and approval on a final basis.

⁴ 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

**DEPARTMENT OF ENERGY
ADMINISTRATOR, WESTERN AREA POWER ADMINISTRATION**

In the Matter of:)
Western Area Power Administration)
Sierra Nevada Region)
Rate Adjustment for the) Rate Order No. WAPA-207
Central Valley Project Power, Transmission, and)
Ancillary Services; and)
California-Oregon Transmission Project)
Transmission Service Formula Rates)

**ORDER CONFIRMING, APPROVING, AND PLACING THE FORMULA RATES
FOR CENTRAL VALLEY PROJECT AND CALIFORNIA-OREGON
TRANSMISSION PROJECT INTO EFFECT ON AN INTERIM BASIS**

The formula rates in Rate Order No. WAPA-207 are established following section 302 of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152).¹

By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Western Area Power Administration (WAPA) Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, or to remand or disapprove such rates, to the Federal Energy Regulatory Commission (FERC). By Delegation Order No. S1-DEL-S3-2023, effective April 10, 2023, the Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Infrastructure. By Redelegation Order No. S3-DEL-WAPA1-2023, effective April 10, 2023, the Under Secretary for Infrastructure further redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This rate action is issued under Redelegation Order No. S3-DEL-

¹ This Act transferred to, and vested in, the Secretary of Energy the power marketing functions of the Secretary of the Department of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)), and other acts that specifically apply to the projects involved.

WAPA1-2023 and DOE procedures for public participation in rate adjustments set forth at 10 CFR part 903.²

Acronyms, Terms, and Definitions

As used in this Rate Order, the following acronyms, terms, and definitions apply:

- BA: As defined in WAPA’s Open Access Transmission Tariff (OATT), is Balancing Authority and is the responsible entity that integrates resource plans ahead of time, maintains load Interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- BAA: As defined in WAPA’s OATT, is Balancing Authority Area; the term Balancing Authority Area shall have the same meaning as “Control Area.”
- BANC: Balancing Authority of Northern California is a joint powers authority that provides BA and other services to its members and other entities within the BAA. Members/entities of BANC may in turn provide transmission service to customers.
- BR: Base Resource, as defined in Central Valley Project’s 2025 Marketing Plan is the Central Valley and Washoe Project power (capacity and energy) output determined by WAPA-SN to be available for marketing, including the environmental attributes, after meeting the requirements of project use and first preference customers, and any adjustments for maintenance, reserves, system losses, and certain ancillary services.
- CAISO: As defined in WAPA’s OATT, is the California Independent System Operator. A state-chartered, California, non-profit public benefit corporation that operates the transmission facilities of all CAISO participating transmission owners and dispatches certain generating units and loads. The CAISO is the Market Operator (MO) for the EIM.
- Capacity: The electric capability of a generator, transformer, transmission circuit, or other equipment. It is expressed in kilowatts (kW) or megawatts (MW).
- Conforming Load: The term is not officially defined by CAISO at this time and will be addressed in the future. The

² 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

following description reasonably aligns with the CAISO's use of the term in defining load forecasting requirements under EIM: it is the load that changes in a reasonably predictable, uniform manner that is environmentally driven. A conforming load has a load profile that is similar to the aggregated load profile. Due to conventional weather- and temperature-based patterns, conforming loads can be forecast with a high level of accuracy using historical and meteorological data.

CVP:

As defined in Central Valley Project's 2025 Marketing Plan, is Central Valley Project. The multipurpose Federal water development project extending from the Cascade Range in northern California to the plains along the Kern River south of the city of Bakersfield, California.

EI Service:

Energy Imbalance Service is an ancillary service that provides for the difference between the scheduled and the actual delivery of energy to a load within the Transmission Provider's Sub-BAA.

EIM:

As defined in CAISO's Business Practice Manual, means Energy Imbalance Market and is the rules and procedures in Section 29 of the CAISO Tariff governing the CAISO's operation of the Real-Time Market in BAAs outside of the CAISO BAA and the participation of EIM Market Participants in the Real-Time Market.

EIM Administrative Charge:

As defined in CAISO's Business Practice Manual, is the fee imposed on transaction in the energy imbalance market as described in section 29.11(i)(1) of the CASIO Tariff.

EIM Entity:

As defined in WAPA's OATT, Attachment S, is a BAA that enters into the MO's EIM Entity Agreement to enable the EIM to occur in its BAA. BANC is the EIM Entity for the BANC EIM Entity BAA. For the purposes of this Attachment S, the EIM Entity is the BANC EIM Entity, or the entity selected by the BANC EIM Entity who is certified by the MO. WAPA-SN participates in the CAISO EIM under the BANC EIM Entity.

EIM Non-Participating Resource:

As defined on CAISO's website: EIM Resource that does not participate in the Real-Time Market but is required to be identified in the EIM BAA for settling charges and payments related to

nonparticipating load and nonparticipating resources.

EIM Participating Resource:

As defined in WAPA's OATT, Attachment S, is a resource or a portion of a resource: (1) that meets the Transmission Provider's eligibility requirements; (2) has been certified by the BANC EIM Entity for participation in the EIM; and (3) for which the generation owner and/or operator enters into the MO's EIM Participating Resource Agreement and any agreements as may be required by BANC and/or the BANC EIM Entity.

EIM Participating Resource Scheduling Coordinator:

As defined in WAPA's OATT, Attachment S, an entity with one or more BANC EIM Participating Resource(s) or a third-party designated by the Transmission Customer with one or more BANC EIM Participating Resource(s), that is certified by the MO and enters into the MO's EIM Participating Resource Scheduling Coordinator Agreement.

Energy:

As defined in Central Valley Project's 2025 Marketing Plan, is measured in terms of the work it is capable of doing over a period of time; electric energy is usually measured in kilowatt-hours or megawatt-hours.

Firm Point-To-Point Transmission Service:

As defined in WAPA's OATT, is transmission service reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of the Tariff.

First Preference Customers/Entity:

As defined in Central Valley Project's 2025 Marketing Plan, is a preference customer and/or a preference entity (an entity qualified to use, but not using, preference power) within a country or origin (Trinity, Calaveras, and Tuolumne) as specified under the Trinity River Division Act (69 Sta. 719) and the New Melones Project provisions of the Flood Control Act of 1962 (76 Stat. 1173, 1191-1192).

FRR:

Frequency Response Reserve, as defined in Sacramento Municipal Utility District's (SMUD's) Operating Reserves OP-114, "NERC/WECC does not have an official definition for Frequency Response Reserve (FRR) yet. BANC is defining the FRR as an amount of reserve in MW that is synchronized to the system and can automatically

respond to system frequency deviation. BANC in coordination with WAPA-SN and SMUD procures and monitors sufficient FRR in both Day-Ahead scheduling process and Real-Time operations to ensure that BANC meets NERC Reliability Standard BAL0031.1 R1.”

<u>FY:</u>	WAPA’s fiscal year, October 1 to September 30.
<u>Generating Unit:</u>	As defined in CAISO Tariff, is an individual electric generator and its associated plant and apparatus whose electrical output is capable of being separately identified and metered or a Physical Scheduling Plant that, in either case, is: located within the CAISO BAA (which includes a Pseudo-Tie of a generating unit to the CAISO BAA) or, for purposes of scheduling and operating the Real-Time Market only, an EIM Entity BAA; connected to the CAISO Controlled Grid, either directly or via interconnected transmission, or distribution facilities or via a Pseudo-Tie; and capable of producing and delivering net energy (energy in excess of a generating station’s internal power requirements).
<u>GI Service:</u>	Generator Imbalance Service is an ancillary service that provides for the difference between the output of a generator and the delivery schedule from that generator to: (1) another BAA, (2) the BANC BAA, or (3) a load within the Transmission Provider’s Sub-BAA. GI Service during EIM participation is that associated with a generator that is not an EIM Participating Resource located in the Transmission Provider’s Sub-BAA.
<u>kW:</u>	Kilowatt – the electrical unit of capacity that equals 1,000 watts.
<u>LAP:</u>	Load Aggregation Point is a set of Pricing Nodes as specified in Section 27.2 of the CAISO Tariff that are used for the submission of Bids and Settlement of Demand.
<u>Load Ratio Share:</u>	As defined in WAPA’s OATT, is the ratio of a Transmission Customer’s Network Load to the Transmission Provider’s total load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III of the Tariff and calculated on a rolling twelve-month basis.
<u>Long-Term Firm Point-to-Point</u>	

<u>Transmission Service:</u>	As defined in WAPA's OATT, is Firm Point-to-Point Transmission Service under Part II of the Tariff with a term of one year or more.
<u>MO:</u>	As defined in WAPA's OATT, Attachment S, is Market Operator. The entity responsible for operation, administration, settlement, and oversight of the EIM. The CAISO is the current MO of the EIM.
<u>MO Tariff:</u>	As defined in WAPA's OATT, Attachment S, is those portions of the MO's approved tariff, as such tariff may be modified from time to time, that specifically apply to the operation, administration, settlement, and oversight of the EIM.
<u>NERC:</u>	The North American Electric Reliability Corporation.
<u>New Rate:</u>	As defined in WAPA's OATT, means the modification of a rate for transmission or ancillary services provided by the Transmission Provider which has been promulgated pursuant to the rate development process outlined in Power and Transmission Rates, 10 CFR part 903 (2006).
<u>NITS:</u>	Network Integration Transmission Service, as defined in WAPA's OATT, is the transmission service provided under Part III of the Tariff.
<u>Non-conforming Load:</u>	The term is not officially defined by CAISO at this time and will be addressed in the future. The following description reasonably aligns with the CAISO's use of the term in defining load forecasting requirements under EIM: it is the load with unpredictable load pattern, e.g., pumps, industrial plants, etc., that makes it difficult for the CAISO model to accurately forecast. CAISO's load forecasting model uses historical actual conforming load data and meteorological data determined necessary to accurately forecast the conforming load. When non-conforming load causes more than 5% deviation (hourly) from the total actual load, it should be modeled separately from the load that CAISO will forecast for the EIM Entity (the conforming load). This requirement is part of the EIM Readiness Criteria in accordance with CAISO Tariff section 29.2(b)(7)(A)(iv).
<u>Non-Firm Point-to-Point Transmission Service:</u>	As defined in WAPA's OATT, is Point-to-Point Transmission Service under the Tariff that is

reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of the Tariff. Non-Firm Point-to-Point Transmission Service is available on a stand-alone basis for periods ranging from one hour to one month. The Transmission Provider may offer Non-Firm Point-to-Point Transmission Service for periods longer than one month. If offered, the terms and conditions will be consistent with Part II of the Tariff and will be posted on the Transmission Provider's OASIS.

OASIS:

As defined in WAPA's OATT, is Open Access Same-Time Information System. The information system and standards of conduct contained in Part 37 of FERC's regulations and all additional requirements implemented by subsequent FERC orders dealing with OASIS.

OATT:

The Open Access Transmission Tariff, including all schedules or attachments thereto, of the Transmission Provided as amended from time to time, and approved by FERC.

Preference:

As defined in Central Valley Project's 2025 Marketing Plan, is the requirements of Reclamation Law that provide for preference in the sale of Federal power be given to certain entities, such as governments (state, Federal and Native American), municipalities and other public corporations or agencies, and cooperatives and other nonprofit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 (*See, e.g.,* Reclamation Project Act of 1939, Section 9(c), 43 U.S.C. 485h(c)).

Point-to-Point Transmission Service:

As defined in WAPA's OATT, is the reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

Project Use:

As defined in Central Valley Project's 2025 Marketing Plan, is power as defined by Reclamation Law and/or used to operate CVP and Washoe Project facilities.

Power:

Capacity and energy.

<u>Provisional Formula Rates:</u>	The formula rates confirmed, approved, and placed into effect on an interim basis by the Deputy Secretary of Energy or designee.
<u>PRR:</u>	Power Revenue Requirement is revenue required by the PRS to recover annual expenses (such as operation and maintenance, purchase power, transmission service expenses, interest, and deferred expenses) and repay Federal investments and other assigned costs.
<u>PRS:</u>	Power Repayment Study, is defined in Order RA 6120.2 as a study portraying the annual repayment of power production and transmission costs of a power system through the application of revenues over the repayment period of the power system. The study shows, among other items, estimated revenues and expenses, year by year, over the remainder of the power system's repayment period (based upon conditions prevailing over the cost evaluation period), the estimated amount of Federal investment amortized during each year, and the total estimated amount of Federal investment remaining to be amortized.
<u>Rate:</u>	As defined in WAPA's OATT, means the monetary charge or the formula for computing such a charge for any electric service provided by a Transmission Provider as defined in 10 CFR part 903.
<u>Rate Adjustment:</u>	Rate Adjustment means a change in an existing rate or rates, or the establishment of a rate or rates for a new service. It does not include a change in rate schedule provisions or in contract terms, other than changes in the price per unit of service, nor does it include changes in the monetary charge pursuant to a formula stated in a rate schedule or a contract as defined in 10 CFR part 903.
<u>Regulation:</u>	As defined in CAISO's Tariff, is the service provided either by resources certified by the CAISO as equipped and capable of responding to the CAISO's direct digital control signals, or by System Resources that have been certified by the CAISO as capable of delivering such service to the CAISO BAA, in an upward and downward direction to match, on a real-time basis, demand and resources, consistent with established NERC and Western Electricity Coordinating Council (WECC) reliability standards and any requirements of the

Nuclear Regulatory Commission, or its successor. Regulation is used to control the operating level of a resource within a prescribed area in response to a change in system frequency, tie line loading, or the relation of these to each other so as to maintain the target system frequency and/or the established Interchange with other BAAs within the predetermined Regulation Limits. Regulation includes both an increase in energy production by a resource or decrease in energy consumption by a resource (Regulation Up) and a decrease in energy production by a resource or increase in energy consumption by a resource (Regulation Down). Regulation Up and Regulation Down are distinct capacity products, with separately stated requirements and Ancillary Service Marginal Pricings in each Settlement Period.

Resource Sufficiency:

CAISO defines and proposes resource sufficiency evaluation that require all BAAs offer sufficient resources to meet their bid-in demand, reliability capacity to meet forecasted net load, provide ramp capability to meet their 24-hour net demand variation, and their forecasted ancillary service and imbalance reserve requirements (adjusted for diversity benefit).

Short-Term Firm Point-to-Point
Transmission Service:

As defined in WAPA's OATT, is Firm Point-to-Point Transmission Service under Part II of the Tariff with a term of less than one year.

Sub-BAA:

As defined in WAPA's OATT, is Sub-Balancing Authority Area. An electric power system operating within a host BAA that is bounded by meters and is responsible for BAA-like performance of generation, load, and transmission. WAPA-SN is a Sub-BAA within the BANC BAA.

Tariff:

As defined in WAPA's OATT, is the Open Access Transmission Tariff, including all schedules or attachments thereto, of the Transmission Provided as amended from time to time, and approved by FERC.

TO:

As defined in WAPA's OATT, means Transmission Owner and is the entity that owns, leases or otherwise possesses an interest in the portion of the Transmission System at the Point of Interconnection and may be a Party to the Small Generator Interconnection Agreement to the extent necessary.

Transmission Customer: As defined in WAPA’s OATT, is any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that the Transmission Provider provide transmission service without a Service Agreement, pursuant to section 15.3 of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

Transmission Customer Base Schedule: As defined in WAPA’s OATT, Attachment S, is an energy schedule that provides Transmission Customer hourly-level forecast data and other information used as the baseline by which to measure Imbalance Energy for purposes of EIM settlement. The term “Transmission Customer Base Schedule” as used in this Tariff is synonymous with the term “EIM Participant Base Schedule” used in the EIM Entity’s business practices and may refer collectively to the components of such schedule (resource, Interchange, Intrachange, and load determined pursuant to the EIM Entity’s business practices) or any individual components of such schedule. This term is synonymous to “Base Schedule.”

Transmission Provider: As defined in WAPA’s OATT, is the regional office within WAPA-SN that owns, controls, or operates the facilities used for the transmission of electric energy in interstate commerce and provides transmission service under the Tariff.

Transmission System: As defined in WAPA’s OATT, is the facilities owned, controlled, or operated by the Transmission Provider that are used to provide transmission service under Part II and Part III of the Tariff.

UIE: As defined in WAPA’s OATT, Attachment S, is Uninstructed Imbalance Energy. Settlement charges incurred by the Transmission Provider on behalf of Transmission Customers due to uninstructed deviations of supply or demand.

WECC: The Western Electricity Coordinating Council.

Effective Date

The Provisional Formula Rate Schedules CV-F14, CPP-3, CV-T4, CV-NWT6,

COTP-T4, CV-TPT8, CV-UUP2, CV-SPR5, CV-SUR5, CV-RFS5, CV-EID6, CV-GID3, CV-SSP3, CV-EIM1S1, CV-EIM4S1, and CV-EIM9S1 will take effect on the first day of the first full billing period beginning on or after October 1, 2024, and will remain in effect through September 30, 2029, pending approval by FERC on a final basis or until superseded.

Public Notice and Comment

WAPA-SN followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR part 903, in developing these formula rates. WAPA-SN took the following steps to involve interested parties in the rate process:

1. On August 30, 2023, a *Federal Register* notice (88 FR 59909) (Proposed FRN) announced the proposed formula rates and initiated a 90-day public consultation and comment period.
2. On August 31, 2023, WAPA-SN notified Preference Customers and interested parties of the proposed rates and provided a copy of the Proposed FRN.
3. On November 15, 2023, WAPA-SN held a public information forum via Microsoft Teams. WAPA-SN's representatives explained the proposed formula rates, answered questions, and gave notice that more information was available in the Customer Rate Brochure.
4. On November 15, 2023, WAPA-SN held a public comment forum via Microsoft Teams to provide an opportunity for customers and other interested parties to comment for the record.
5. SN established a public website to post information about the rate process. The website is located at: www.wapa.gov/about-wapa/regions/sn/sn-rates.

6. On November 17, 2023, a *Federal Register* notice (88 FR 80293) announced that WAPA-SN extended the public comment period for an additional 30-days, through December 28, 2023.
7. During the 120-day consultation and comment period, WAPA-SN received three oral comment submissions and no written comment letters. The comments and WAPA-SN's responses are addressed in the "Comments" section. All comments have been considered in the preparation of this Rate Order.

Oral comments were received from the following organization:

Northern California Power Agency, California

Power Revenue Requirement and Allocation to Preference Customers

Before the start of each FY, WAPA-SN will continue to calculate and publish an annual Power Revenue Requirement (PRR) to determine the total cost of power. The total cost of power is allocated to WAPA-SN's preference customers, namely, First Preference (FP) customers based on their FP percentages, and the remaining amount to Base Resource (BR) customers based on their BR allocation, adjusted for programs, such as hourly exchange. The Trinity River Division Act of 1955 (69 Stat. 719) and the Flood Control Act of 1962 (76 Stat. 1173, 1191-1192) accorded FP to CVP power customers in Trinity, Tuolumne, and Calaveras counties. A BR customer, under the 2004 and 2025 Marketing Plans, is an entity that has executed a BR contract and is allocated a percentage of the BR.

WAPA-SN prepares a Power Repayment Study (PRS) each FY to determine if revenue will be sufficient to repay, within the required periods, all costs assigned to the commercial power function. Project repayment is measured over the long term to ensure repayment is met and to maintain rate stability. The PRR is an estimate of revenues and expenses including investment and repayment projections from the PRS. Any variance from estimate to actual will increase or decrease annual project repayment. Generally,

the PRR includes Operation and Maintenance (O&M) expenses, purchased power for Project Use and FP customers' loads, interest, and other expenses (including any other statutorily required costs or charges), investment repayment, and the Washoe Project transfer. Revenues from Project Use, transmission, ancillary services, and other services offset expenses in the PRR; and the remainder is collected from BR and FP customers. The PRR is reviewed during March of each year; and if such review results in a change of \$5 million or more to the annual PRR, collections are adjusted over the remaining 6-month period.

For WAPA-SN to meet the load requirements beyond delivered BR for Full Load Service (FLS) customers and Variable Resource (VR) customers, WAPA-SN may make Supplemental Power (SP) purchases pursuant to the Custom Product Power (CPP) rate schedule. FLS and VR customers who contract with WAPA-SN for such service will pay all SP costs. FLS customers pay a portfolio management charge according to their contract, whereas VR customers pay a scheduling charge per the rate schedule.

Transmission and Ancillary Services Revenue Requirements and Formula Rates

At least annually, WAPA-SN will apply the formula rates to calculate and then post the CVP transmission rates for point-to-point and Network Integration Transmission Service (NITS), the California Oregon Transmission Project (COTP) transmission rates, and CVP regulation and frequency response service rates. WAPA-SN prepares a detailed cost-of-service study to determine the costs, by project, that support the transfer capability of each transmission system and the cost that supports the generation capability of the CVP system. Generally, the costs allocated through the cost-of-service study for the transmission systems include O&M, interest, and depreciation expenses. WAPA-SN's costs for scheduling, system control and dispatch service associated with CVP and COTP transmission service are included and recovered through the respective transmission system's revenue requirement. Third-party transmission service costs are

passed through directly to each requesting customer.

The unreserved use penalties continue to be assessed at 200 percent of the effective point-to-point transmission rate when transmission service is used and not reserved, or when used in excess of the reservation. The required spinning and supplemental reserves charges are based on a price consistent with the California Independent System Operator's (CAISO) market price plus all costs incurred for the sale of these reserves. Customers who have a contractual obligation to provide spinning and supplemental reserves and do not fulfill their obligation will be assessed a penalty equal to the greater of WAPA-SN's actual cost or 150 percent of the market price.

For Energy Imbalance (EI) service, when the EIM is suspended, customers outside of their contractual bandwidth (under delivery) will pay the greater of 150 percent of the market price or WAPA-SN's actual cost. Given WAPA-SN's EI customers are and will continue to operate under existing agreements, WAPA-SN will continue its existing rate methodology for EI. The EI rate uses the same tiered methodology as WAPA-SN's EI service rate.

Sale of Surplus Products Formula Rates

The provisional rates are for the sale of surplus energy and/or capacity products. This includes Energy, Frequency Response Reserve, Regulation, Reserves, and Resource Sufficiency. If CVP surplus products are available, WAPA-SN will make the product(s) available for sale, provided entities enter into separate agreement(s) which would specify the terms of sale(s).

EIM Service Formula Rates

WAPA-SN will continue participation in the EIM as a Transmission Service Provider and Participating Resource Scheduling Coordinator within the Balancing Authority of Northern California (BANC) Balancing Authority Area (BAA). WAPA-SN is continuing formula rate schedules for: (1) EIM Administrative Service, (2) EIM EI

Service, and (3) EIM GI Service. In EIM, CAISO economically dispatches energy under its EIM Tariff to meet the imbalances for loads and resources over multiple BAAs.

CAISO provides a centralized, automated, and region-wide dispatch for imbalances. The EIM Administrative Services formula rate continues to allow WAPA-SN to pass through administrative costs incurred by WAPA-SN resulting from its participation in EIM as a Participating Resource Scheduling Coordinator. The formula rates and cost allocation for Administrative, EI, and GI services will be in effect when WAPA-SN is participating in the EIM, and to the extent WAPA-SN incurs associated settlements during market suspension or contingency.

Comments

WAPA-SN received three separate oral comments during the public consultation and comment period. The comments expressed have been paraphrased and/or combined, where appropriate, without compromising the meaning of the comments.

Comment: Commenter questioned the reasoning behind changing the COTP rate period from three seasonal rates to one annual rate. Commenter inquired if there was variation between seasons.

Response: The reasoning for the seasonal change to one annual period is that there is very little change between the seasonal rates.

Comment: Commenter questioned whether there has been any recent change to the percentage losses that are charged on the COTP?

Response: While transmission loss factors are outside the scope of the rate process, there have been no recent changes to the percentage loss factors.

Comment: Commentor stated that WAPA-SN has an agreement with Pacific Gas and Electric (PG&E) for distribution through their transmission lines through 2024. They asked if there is any reason to expect issues with the renewal, and to elaborate on the implications for WAPA-SN customers if this contract with PG&E is not renewed.

Response: While transmission distribution agreements are outside the scope of the rate process, WAPA-SN does have an existing agreement with PG&E through 2024 and is in negotiations for an extension or a renegotiation of those arrangements.

Certification of Rates

I have certified that the Provisional Formula Rates for Central Valley Project power, transmission, and ancillary services; and California-Oregon Transmission Project transmission service under Rate Schedules CV-F14, CPP-3, CV-T4, CV-NWT6, COTP-T4, CV-TPT8, CV-UUP2, CV-SPR5, CV-SUR5, CV-RFS5, CV-EID6, CV-GID3, CV-SSP3, CV-EIM1S1, CV-EIM4S1, and CV-EIM9S1, are the lowest possible rates, consistent with sound business principles. The Provisional Formula Rates were developed following administrative policies and applicable laws.

Availability of Information

Information used by WAPA-SN to develop the Provisional Formula Rates is available for inspection and copying at the WAPA-SN Regional Office, 114 Parkshore Drive, Folsom, California. Many of these documents are also available on WAPA-SN's website at www.wapa.gov/about-wapa/regions/sn/sn-rates.

RATEMAKING PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA-SN has determined that this action fits within the following categorical exclusion listed in appendix B to subpart D of 10 CFR part 1021.410: B4.3 (Electric power marketing rate changes). Categorically excluded projects and activities do not require preparation of either an environmental impact statement or an environmental assessment.³ A copy of the categorical exclusion determination is available on WAPA's website at: www.wapa.gov/about-wapa/regions/sn/environment.

³ The determination was done in compliance with NEPA (42 U.S.C. 4321-4347); the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500-1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021).

Determination Under Executive Order 12866

WAPA-SN has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by the Office of Management and Budget is required.

Submission to the Federal Energy Regulatory Commission

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

ORDER

In view of the above and under the authority delegated to me, I hereby confirm, approve, and place into effect, on an interim basis, Rate Order No. WAPA-207. The rates will remain in effect on an interim basis until: (1) FERC confirms and approves them on a final basis; (2) subsequent rates are confirmed and approved; or (3) such rates are superseded.

Signing Authority

This document of the Department of Energy was signed on July 15, 2024, by Tracey A. LeBeau, Administrator, Western Area Power Administration, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC on July 17, 2024.

Treena V. Garrett,
Federal Register Liaison Officer,
U.S. Department of Energy.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

BASE RESOURCE AND FIRST PREFERENCE POWER
(Approved Under Rate Order No. WAPA-207)

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To the Base Resource (BR) and First Preference (FP) Power Customers.

Character and Conditions of Service:

Alternating current, 60-hertz, three-phase, delivered and metered at the voltages and points established by contract. This service includes the Central Valley Project (CVP) transmission (to include reactive supply and voltage control from Federal generation sources needed to support the transmission service), spinning reserve service, and supplemental reserve service.

Formula Rate:

The formula rate includes three components.

Component 1:

Power Revenue Requirement (PRR):

WAPA-SN will develop the PRR before the start of each fiscal year (FY). The PRR will be divided into two 6-month periods, October through March, and April through September, based on FP and BR percentages. The PRR will be reviewed in March of

each year. If there is a change of \$5 million or more, the PRR will be recalculated for the entire FY. The PRR is allocated to FP Customers and BR Customers based on formula rates, as adjusted for Hourly Exchange (HE), FP true-up calculation and midyear adjustments.

FP Power Formula Rate:

The annual FP customer allocation is equal to the annual PRR multiplied by the relevant FP percentage.

$$\text{FP Revenue Requirement} = \text{PRR} \times \text{FP Customer Percentage (FP \%)}$$

$$\text{FP \%} = \frac{\text{FP Customer Load}}{\text{Gen} + \text{Power Purchases} - \text{Project Use}}$$

Where:

FP Customer Load = FP Customer’s forecasted annual load (MWh)

Gen = Forecasted annual CVP and Washoe generation (MWh)

Power Purchases = Power purchases for Project Use and FP loads (MWh)

Project Use = Forecasted annual Project Use loads (MWh)

WAPA-SN will develop each FP customer’s percentage before the start of each FY, and review in March every year. If there is a change of more than one-half of 1 percent, the percentage will be revised for the full FY and billing will be adjusted over the remaining 6 months.

In addition, WAPA-SN will perform a true-up each year to ensure FP Customers pay their proportionate share of the PRR. The FP customers’ percentage is limited to a percentage of the PRR. The table below shows the maximum percentages for each FP customer that will be applied to the PRR. FP percentages cannot exceed the maximum except in instances where a FP customers’ percentage increases due to load growth. If maximum percentages are exceeded for more than one year, WAPA-SN will reevaluate and update customer maximum percentages.

FP Maximum Percentages	
FP Customer	Maximum FP Customer Percentage Applied to the PRR
Sierra Conservation Center	1.58%
Calaveras Public Power Agency	3.81%
Trinity Public Utilities District	12.01%
Tuolumne Public Power Agency	3.16%
Chicken Ranch Rancheria	0.96%
Total	21.52%

BR Formula Rate:

The annual BR customer allocation is equal to the annual PRR multiplied by the relevant BR percentage.

$$\text{BR Customer Allocation} = (\text{PRR} \times \text{BR}\%)$$

Where:

BR% = BR percentage for each customer as indicated in the BR contract after adjustments for programs, such as HE, if applicable

After the FP Customers' share of the annual PRR has been determined, including a prior period true-up from the FP formula rate, the remainder of the annual PRR is recovered from the BR Customers. The BR Revenue Requirement will be collected in two 6-month periods: 25% for October through March and 75% for April through September.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service

will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing for BR and FP power will occur monthly using the respective formula rate. Any adjustment made at midyear applies to the entire FY and is billed over the remainder of the FY.

Adjustment for Losses:

Losses will be accounted for under this rate schedule as stated in the service agreement.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

CUSTOM PRODUCT POWER

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To Sierra Nevada Region (SN) customers that contract for Custom Product Power (CPP). CPP means capacity and energy, provided by WAPA-SN, in addition to a customer's Base Resource, to meet its load.

To WAPA-SN Variable Resources (VR) Customers requesting scheduling for this service. A scheduling charge is applicable to VR customers requesting WAPA-SN to schedule CPP purchases.

Character and Conditions of Service:

Alternating current, 60-hertz, three-phase, delivered and metered at the voltages and points established by contract, in accordance with approved policies and procedures.

Formula Rate:

The formula rate includes three components.

Component 1:

All charges and credits incurred in providing CPP will be passed through to the customer. WAPA-SN will assess a VR scheduling charge per schedule per day to cover

the administrative costs for procuring and scheduling CPP.

$$\text{Daily Charge Per Schedule} = \frac{\text{Fully Burdened Hourly Rate} \times \text{Minutes Per Schedule}}{60 \text{ Minutes}}$$

If the actual number of schedules for the month is not available, WAPA-SN will estimate the number of schedules for the month and apply the VR scheduling charge to the estimated number of schedules.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing for CPP and VR scheduling charge occurs monthly.

Adjustments for Losses:

All losses incurred for the delivery of CPP under this rate schedule shall be the responsibility of the customer that has contracted for this service.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

POINT-TO-POINT TRANSMISSION SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving Central Valley Project (CVP) firm and/or non-firm Point-to-Point (PTP) transmission service.

Character and Conditions of Service:

Transmission service for three-phase, alternating current at 60 hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points of delivery. This service includes scheduling and system control and dispatch service needed to support the transmission service.

Formula Rate:

The formula rate for CVP firm and non-firm PTP transmission includes three components.

Component 1:

CVP Transmission Revenue Requirement (TRR) =
Contracted PTP Transmission Capacity (PTPc) + Network Integration Transmission Service
Capacity (NITSc)

Where:

CVP TRR = the cost associated with facilities that support the transfer capability of the
CVP transmission system, excluding generation facilities and radial lines

PTPc = the total PTP transmission capacity (kW) under long-term contract between
WAPA-SN and other parties

NITSc = the 12-month average coincident peaks (kW) of Network Integrated
Transmission Service (NITS) customers at the time of the monthly CVP
transmission system peak (kW)

WAPA-SN may revise the rate from Component 1 based on either of the following conditions: (1) updated financial data available in March of each year; or (2) a change in the numerator or denominator that results in a rate change of at least \$0.05 per kilowatt month (kW month). Rate change notifications will be posted on WAPA-SN's Open Access Same-Time Information System (OASIS) website.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above applies to the maximum amount of capacity reserved for periods ranging from 1 hour to 1 month, payable whether used or not. Billing will occur monthly.

Adjustment for Losses:

Losses incurred for service under this rate schedule will be accounted for as agreed to by the parties in accordance with the service agreements.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

NETWORK INTEGRATION TRANSMISSION SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving Central Valley Project (CVP) Network Integration Transmission Service (NITS).

Character and Conditions of Service:

Transmission service for three-phase, alternating current at 60 hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points of delivery. This service includes scheduling and system control and dispatch service needed to support the transmission service.

Formula Rate:

The formula rate for CVP NITS includes three components:

Component 1:

The NITS revenue requirement equals the CVP Transmission Revenue Requirement (TRR) less the CVP firm point-to-point revenue. Each NITS customer's allocation is

based on the following formula:

$$\text{NITS Monthly Charge} = \text{NITS Customer's Load-Ratio Share} \times \frac{\text{Annual NITS TRR}}{12}$$

Where:

NITS customer's load ratio share = The NITS customer's load, hourly, or in accordance with approved policies or procedures, (including behind the meter generation minus the NITS customer's adjusted Base Resource) coincident with the monthly CVP transmission system peak, averaged over a 12-month rolling period, expressed as a ratio.

Annual Network TRR = The total CVP TRR less revenue from long-term contracts for the CVP transmission between WAPA-SN and other parties.

The Annual Network TRR will be revised when the formula rate from Component 1 of the CVP transmission rate under Rates Schedule CV-T4 is revised.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is

charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

NITS will be billed monthly under the formula rate.

Adjustment for Losses:

Losses incurred for service under this rate schedule will be accounted for as agreed to by the parties in accordance with the service agreement.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CALIFORNIA-OREGON TRANSMISSION PROJECT

POINT-TO-POINT TRANSMISSION SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving California-Oregon Transmission Project (COTP) firm and/or non-firm point-to-point (PTP) transmission service.

Character and Conditions of Service:

Transmission service for three-phase, alternating current at 60 hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points of delivery. This service includes scheduling and system control and dispatch service needed to support the transmission service.

Formula Rate:

The formula rate for COTP firm and non-firm PTP transmission service includes three components.

Component 1:

$$\frac{\text{COTP Transmission Revenue Requirement}}{\text{WAPA-SN's COTP Capacity}}$$

Where:

COTP Transmission Revenue Requirement (TRR) = WAPA-SN's costs associated with facilities that support the transfer capability of the COTP.

WAPA-SN's COTP Capacity = WAPA-SN's share of COTP transmission capacity, subject to curtailment under the current California-Oregon Intertie (COI) transfer capability.

WAPA-SN will update the rate from Component 1 at least 15 days before the start of the rate period. Rate change notifications will be posted on WAPA-SN's Open Access Same-Time Information System (OASIS) website.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above applies to the maximum amount of capacity reserved for

periods ranging from 1 hour to 1 month, payable whether used or not. Billing will occur monthly.

Adjustment for Losses:

Losses incurred for service under this rate schedule will be accounted for as agreed to by the parties in accordance with the service agreement.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

TRANSMISSION OF WAPA-SN POWER BY OTHERS

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To WAPA-SN's power service customers who require transmission service by a third-party to receive power sold by WAPA-SN.

Character and Conditions of Service:

Transmission service for three-phase, alternating current at 60 hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points as agreed to by the parties.

Formula Rate:

The formula rate for transmission of WAPA-SN's power by others includes three components.

Component 1:

When WAPA-SN uses transmission facilities other than its own in supplying WAPA-SN power and costs are incurred by WAPA-SN for the use of such facilities, the customer will pay all costs, including transmission losses, incurred in the delivery of such power.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Third-party transmission will be billed monthly under the formula rate.

Adjustments for losses:

All losses incurred for delivery of power under this rate schedule will be the responsibility of the customer that received the power.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

UNRESERVED USE PENALTIES

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To unreserved use of transmission service for the Central Valley Project, California-Oregon Transmission Project, and Pacific Alternating Current Intertie. This penalty is applicable to point-to-point (PTP) transmission customers using transmission not reserved or more than reserved, or network customers when they schedule delivery of off-system non-designated purchases using transmission capacity reserved for designated network resources.

Character and Conditions of Service:

Transmission service for three-phase, alternating current at 60 hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points of delivery. This service includes scheduling and system control and dispatch service needed to support the transmission service.

Penalty Rate:

The formula rate for Unreserved Use Penalty (UUP) has three components.

Component 1:

A transmission customer that has not reserved capacity or exceeds its firm or non-firm reserved capacity at any point of receipt or any point of delivery will be assessed UUP.

The penalty charge for a transmission customer who engages in unreserved use is 200 percent of WAPA-SN's approved transmission service rate for PTP transmission service assessed as follows: (1) the UUP for a single hour of unreserved use will be based upon the rate for daily firm PTP service; (2) the UUP for more than one assessment for a given duration (e.g., daily) will increase to the next longest duration (e.g., weekly); and (3) the UUP for multiple instances of unreserved use (e.g., more than 1 hour) within a day will be based on the rate for daily firm PTP service. The penalty charge for multiple instances of unreserved use isolated to one-calendar week would result in a penalty based on the charge for weekly firm PTP service. The penalty charge for multiple instances of unreserved use during more than one week within a calendar month is based on the charge for monthly firm PTP service.

The UUP will not apply to transmission customers utilizing PTP transmission service under WAPA's Open Access Transmission Tariff (OATT) because of action taken to support reliability. Such actions include reserve activations or uncontrolled event response as directed by the responsible reliability authority such as Sub-Balancing Authority, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

A transmission customer that exceeds its firm or non-firm reserved capacity is required to pay for all ancillary services identified in WAPA's OATT associated with the unreserved use of transmission service. The transmission customer or eligible customer will pay for ancillary services, in accordance with existing rate schedules, based on the amount of transmission service it used but did not reserve.

The UUP collected over and above the base PTP rate will be distributed to customers as a credit on future transmission revenue requirements.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the HBA for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The UUP will be billed monthly under the formula rate.

Adjustment for Losses:

Losses incurred for delivery of power under this rate schedule shall be the responsibility of the customer that received the power.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

REGULATION AND FREQUENCY RESPONSE SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving Regulation and Frequency Response Service (Regulation).

Character and Conditions of Service:

Regulation is necessary to provide for the continuous balancing of resources and interchange with load and for maintaining scheduled interconnection frequency at 60 cycles per second. Regulation is accomplished by committing on-line generation whose output is raised or lowered, predominantly using automatic generating control equipment, as necessary, to follow the moment-by-moment changes in load.

Formula Rate:

The formula rate for regulation includes three components:

Component 1:

$$\text{Regulation Rate} = \frac{\text{Annual Regulation Revenue Requirement}}{\text{Annual Regulating Capacity (kW)}}$$

Where:

The annual regulation revenue requirement includes: (1) the Central Valley Project generation costs associated with providing regulation, and (2) the non-facility costs

allocated to regulation; and is calculated by dividing the Generation Revenue Requirement by the prior year plant capacity usage times the Regulation capacity.

The annual regulating capacity is one-half of the total regulating capacity bandwidths provided by WAPA-SN under the Interconnected Operations Agreements with Sub-Balancing Authority (SBA) members.

The penalty for non-performance by an SBA customer who has committed to self-provision for their regulating capacity requirement will be the greater of 150 percent of WAPA-SN's actual costs or 150 percent of the market price.

WAPA-SN will revise the formula rate resulting from Component 1 based on either of the following two conditions: (1) updated financial data available in March of each year; or (2) a change in the numerator or denominator that results in a rate change of at least \$0.25 per kW month.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above will be applied to the regulating capacity bandwidth contained in the service agreement. Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

OPERATING RESERVE - SPINNING RESERVE SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving spinning reserve service.

Character and Conditions of Service:

Spinning Reserve Service supplies capacity that is available immediately to serve load and is synchronized with the power system.

Formula Rate:

The formula rate for spinning reserve includes three components:

Component 1:

The formula rate for spinning reserve service is the price consistent with the California Independent System Operator's (CAISO) market plus all costs incurred from the sale of spinning reserves, such as WAPA-SN's scheduling costs.

For customers that have a contractual obligation to provide spinning reserve to WAPA-SN and do not fulfill that obligation, the penalty for non-performance is the greater of 150 percent of WAPA-SN's actual cost or 150 percent of the market price.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above will be applied to the amount of spinning reserve sold. Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

Rate Schedule CV-SUR5
(Supersedes Schedule CV-SUR4)

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

OPERATING RESERVE - SUPPLEMENTAL RESERVE SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving supplemental reserve service.

Character and Conditions of Service:

Supplemental reserve service supplies capacity that is available within the first 10 minutes to take load and is synchronized with the power system.

Formula Rate:

The formula rate for supplemental reserve service includes three components:

Component 1:

The formula rate for supplemental reserve service is the price consistent with the California Independent System Operator's (CAISO) market plus all costs incurred as a result of the sale of supplemental reserves, such as WAPA-SN's scheduling costs.

For customers that have a contractual obligation to provide supplemental reserve service to WAPA-SN and do not fulfill that obligation, the penalty for non-performance is the greater of 150 percent of WAPA-SN's actual cost or 150 percent of the market price.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is

charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above will be applied to the amount of supplemental reserve service sold. Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

Rate Schedule CV-EID6
(Supersedes Schedule CV-EID5)

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

ENERGY IMBALANCE SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To customers receiving Energy Imbalance (EI) Service.

Character and Conditions of Service:

EI Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load within the Sub-Balancing Authority (SBA) over an hour or in accordance with approved policies and procedures. The deviation, in megawatts, is the net scheduled amount of energy minus the net metered (actual delivered) amount.

EI Service uses the deviation bandwidth that is established in the service agreement or Interconnected Operations Agreements.

Formula Rate:

The formula rate for EI Service includes three components:

Component 1:

EI Service charges are applied to deviations as follows unless otherwise dictated by contract or policy: (1) deviations within the bandwidth will be tracked and settled financially, at the greater of the California Independent System Operator (CAISO) market price, or WAPA-SN's actual cost; (2) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 150 percent of the CAISO market price or 150 percent of WAPA-SN's actual cost; and (3) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour when WAPA-SN incurs a cost to dispose of the energy, in which event the responsible party will bear that cost.

Deviations that occur due to actions taken to support reliability will be resolved in accordance with existing contractual requirements. Such actions include reserve activations or uncontrolled event responses as directed by the responsible reliability authority such as SBA, Host Balancing Authority (HBA), Reliability Coordinator, or

Transmission Operator.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the HBA for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing for negative deviations outside the bandwidth, or as otherwise required, will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

GENERATOR IMBALANCE SERVICE

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To generators receiving Generator Imbalance (GI) Service.

Character and Conditions of Service:

GI Service is provided when a difference occurs between the scheduled and actual delivery of energy from an eligible generation resource within the Sub-Balancing Authority (SBA), over an hour, or in accordance with approved policies. The deviation in megawatts is the net scheduled amount of generation minus the net metered output from the generator's (actual generation) amount.

GI Service is subject to the deviation bandwidth established in the service agreement or Interconnected Operations Agreements.

Formula Rate:

The formula rate for the GI Service has three components:

Component 1:

GI Service is applied to deviations as follows unless otherwise dictated by contract or policy: (1) deviations within the bandwidth will be tracked and settled financially at the greater of the California Independent System Operator (CAISO) market price or WAPA-SN's actual cost; (2) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 150 percent of the CAISO market price or 150 percent of WAPA-SN's actual cost; and (3) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour when WAPA-SN incurs a cost to dispose of the energy, in which event the responsible party will bear that cost.

Deviations that occur due to actions taken to support reliability will be resolved in accordance with existing contractual requirements. Such actions include reserve activations or uncontrolled event responses as directed by the responsible reliability authority such as SBA, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

To the extent that an entity incorporates intermittent resources, deviations will be charged as follows unless otherwise dictated by contract or policy: (1) deviations within the bandwidth will be tracked and settled financially at the greater of the CAISO market price or WAPA-SN's actual cost; (2) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of market price or actual cost (no penalty); and (3) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour where WAPA-SN incurs a cost, then that cost will be borne by the responsible party.

Intermittent generators serving load outside of WAPA-SN's SBA will be required to dynamically schedule or dynamically meter their generation to another Balancing Authority. An intermittent resource, for the limited purpose of these rate schedules, is an electric generator that is not dispatchable and cannot store its output, and therefore,

cannot respond to changes in demand or respond to transmission security constraints.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the HBA for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing for negative deviations outside the bandwidth will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

SALE OF SURPLUS PRODUCTS

Effective:

October 1, 2024, through September 30, 2029, or until superseded by another rate schedule, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

To WAPA-SN customers participating in the Sale of Surplus Products.

Character and Conditions of Service:

Sale of Surplus Products occurs when there is a sale of surplus energy and/or capacity products. This includes: (1) Energy, (2) Frequency Response Service, (3) Regulation, (4) Reserves, and (5) Resource Sufficiency. If any of the surplus products are available, WAPA-SN could make the product(s) available for sale, provided entities enter into separate agreement(s) which will specify the terms of sale(s).

Formula Rate:

The formula rate for Sale of Surplus Products service includes three components:

Component 1:

WAPA-SN will determine the charge for each product at the time of sale to be the greater of WAPA-SN's cost or market rates, to include transmission charges. WAPA-SN will use a separate agreement(s) to specify the terms of sale(s). The customer may be responsible for acquiring additional transmission service necessary to deliver the

product(s), for which a separate charge may be incurred from the transmission provider.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

The formula rate above will be applied to the Sale of Surplus product(s) sold. Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

**ENERGY IMBALANCE MARKET
ADMINISTRATIVE SERVICE**

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

This rate applies to WAPA-SN customers when WAPA-SN, as the Transmission Provider, is participating in Energy Imbalance Market (EIM) and when the EIM has not been suspended. To the extent WAPA-SN incurs EIM Administrative Service-related costs from the EIM Entity during periods of market suspension or contingency, this schedule will also apply to ensure that WAPA-SN, as Transmission Provider, remains revenue neutral for its participation in EIM.

Character and Conditions of Service:

The EIM Administrative Service rate recovers the administrative costs for participating in the EIM by WAPA-SN as a Transmission Provider, including but not limited to such administrative charges as may be incurred by WAPA-SN from California Independent System Operator (CAISO) as the EIM Market Operator (MO) and/or Balancing Authority of Northern California (BANC) as the EIM Entity.

Unless such charges are allocated to the Transmission Customer directly by BANC, all Transmission Customers purchasing Long-Term Firm Point-to-Point Transmission Service, Short-Term Firm Point-to-Point Transmission Service, Non-Firm Point-to-Point Transmission Service, or Network Integration Transmission Service from WAPA-SN shall incur an EIM Administrative Service Charge from WAPA-SN.

CAISO's Administrative Service Charge, as defined in the MO Tariff, is included in this rate. This rate also includes administrative charges assessed to WAPA-SN by BANC based on net energy load within the WAPA-SN Sub-Balancing Authority Area.

Formula Rate:

The formula rate for EIM Administrative Service includes three components:

Component 1:

EIM Administrative Service costs shall be sub-allocated to WAPA-SN's transmission customers based on load ratio share for the time in which WAPA-SN incurs EIM administrative costs.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass

through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

**ENERGY IMBALANCE MARKET
ENERGY IMBALANCE SERVICE**

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

This rate applies to WAPA-SN customers receiving Energy Imbalance (EI) Service when WAPA-SN, as the Transmission Provider, is participating in Energy Imbalance Market (EIM) and when the EIM has not been suspended. To the extent WAPA-SN incurs EIM Administrative Service-related costs from the EIM Entity during periods of market suspension or contingency, this schedule will also apply to ensure that WAPA-SN, as Transmission Provider, remains revenue neutral for its participation in EIM.

Character and Conditions of Service:

EI Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within the WAPA-SN Sub-Balancing Authority Area (Sub-BAA). WAPA-SN offers this service when transmission service is used to serve load within the WAPA-SN Sub-BAA.

Unless subsequently imposed by California Independent System Operator (CAISO) as

the Market Operator (MO) as part of the MO Tariff and promulgated by WAPA-SN through rate proceedings, there shall be no incremental transmission charge assessed for transmission use related to the EIM. Transmission customers must have transmission service rights, as set forth in Attachment S of WAPA's Tariff.

Formula Rate:

The formula rate for EI Service includes three components:

Component 1:

EI Service is the deviation of the transmission customer's metered load compared to the load component of the Transmission Customer Base Schedule settled as Uninstructed Imbalance Energy (UIE) for the period of the deviation at the applicable Load Aggregation Point (LAP) price where the load is located.

EI Service penalties are applied to deviations as follows unless otherwise dictated by contract or policy: (1) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 50 percent of the CAISO market price or 50 percent of WAPA-SN's actual cost; and (2) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour when WAPA-SN incurs a cost to dispose of the energy, in which event the responsible party will bear that cost.

Deviations that occur due to actions taken to support reliability will be resolved in accordance with existing contractual requirements. Such actions include reserve activations or uncontrolled event responses as directed by the responsible reliability authority such as SBA, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory

body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the HBA for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

CENTRAL VALLEY PROJECT

**ENERGY IMBALANCE MARKET
GENERATOR IMBALANCE SERVICE**

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

In the area served by the Western Area Power Administration (WAPA), Sierra Nevada Region (SN).

Applicable:

This rate applies to WAPA-SN customers receiving Generator Imbalance (GI) Service when WAPA-SN, as the Transmission Provider, is participating in Energy Imbalance Market (EIM) and when the EIM has not been suspended. To the extent WAPA-SN incurs EIM Administrative Service-related costs from the EIM Entity during periods of market suspension or contingency, this schedule will also apply to ensure that WAPA-SN, as Transmission Provider, remains revenue neutral for its participation in EIM.

Character and Conditions of Service:

GI Service is provided when a difference occurs between the output of EIM Non-Participating Resource located in the WAPA-SN Sub-Balancing Authority (Sub-BAA), as reflected in the resource component of the Transmission Customer Base Schedule, and the delivery schedule from that generator to (1) another BAA, (2) the Balancing Authority of Northern California (BANC) BAA, or (3) a load within the WAPA-SN Sub-BAA.

Unless subsequently imposed by California Independent System Operator (CAISO) as the Market Operator (MO) as part of the MO Tariff and promulgated by WAPA-SN through rate proceedings, there shall be no incremental transmission charge assessed for transmission use related to the EIM. Transmission customers must have transmission service rights, as set forth in Attachment S of WAPA's Tariff.

Formula Rate:

The formula rate for GI Service includes three components:

Component 1:

GI Service penalties are applied to deviations as follows unless otherwise dictated by contract or policy: (1) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 50 percent of the CAISO market price or 50 percent of WAPA-SN's actual cost; and (2) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour when WAPA-SN incurs a cost to dispose of the energy, in which event the responsible party will bear that cost.

Deviations that occur due to actions taken to support reliability will be resolved in accordance with existing contractual requirements. Such actions include reserve activations or uncontrolled event responses as directed by the responsible reliability authority such as SBA, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

To the extent that an entity incorporates intermittent resources, deviations will be charged as follows unless otherwise dictated by contract or policy: (1) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of market price or actual cost (no penalty); and (2) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour where WAPA-SN incurs a cost, then that cost will be borne by the responsible party.

Intermittent generators serving load outside of WAPA-SN's SBA will be required to dynamically schedule or dynamically meter their generation to another Balancing Authority. An intermittent resource, for the limited purpose of these rate schedules, is an electric generator that is not dispatchable and cannot store its output, and therefore, cannot respond to changes in demand or respond to transmission security constraints.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the HBA for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing will occur monthly.

Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.

