

Western Area Power Administration-Rocky Mountain Region

CURRENT BUSINESS PRACTICES

Effective Date: October 1, 2016

Business Practices Revision Table

*(Changes to the business rules for this revision period are indicated in **Red**)*

Revision Date	Revision
10/1/2016	Transmission and Ancillary Services Rates and changes to reflect the approved Rate Schedules and current practices
9/25/2015	Transmission and Ancillary Services Rates (LAPT, WACM, & CRCM)
07/30/2014	Transmission Request Timing Table
10/01/2013	Transmission and Ancillary Services Rates (LAPT, WACM, & CRCM)

GENERAL INFORMATION

The following are the Current Business Practices and timing requirements for the Western Area Power Administration, Rocky Mountain Region (WAPA-RMR) who operates WACM Balancing Authority (BA). In certain sections, implementation of new business practices is clearly identified with an effective date. This document provides requirements for the transmission reservations and energy scheduling processes. The following Transmission Service Providers (TSPs) are included under these requirements:

- LAPT - Loveland Area Projects (LAP)
- CRCM - Colorado River Storage Project (CRSP)
- BEPW - Basin Electric Power Cooperative-West

All business practices listed are considered current unless otherwise noted.

ACCEPTANCE OF OASIS REQUESTS

Acceptance of OASIS requests will be granted only if the ATC is available.

- System conditions will prevail.

ACCEPTABLE QUANTITY OF REQUESTS

The continued grossly inefficient method of accessing WACM's OASIS node by various parties to submit numerous duplicate requests to secure a single reservation is seriously degrading the performance of multiple systems and negatively affecting all transmission customers. Therefore, effective May 21, 2001, the following business practices will be STRICTLY adhered to and there will be NO exceptions:

- **Transmission Requests On or Across LAPT, CRCM, or BEPW Systems:** WACM will deem EIGHT (8) or more requests for the same posted path submitted by the same customer within any ONE (1) clock hour to be an abuse of the system. If the same customer submits EIGHT (8) or more of these requests within any ONE (1) clock hour, all of those requests will be refused. Requests include any request that is submitted, regardless of state that the request may be in or may become.

UNRESERVED USE PENALTIES (OATT Schedule 10 and Rate Schedules SP-UU1 and L-UU1)

Unreserved use is defined as unscheduled or untagged use of the transmission system, which exceeds reserved capacity at any point of delivery or receipt. Unreserved use may also include a Transmission Customer's failure to curtail transmission when requested, a Network customer's scheduled delivery of off-system non-designated purchases using transmission capacity reserved for designated Network resources, and a Network customer's use of Network service or secondary service to facilitate a wholesale sale that does not serve a Network load.

- The penalty for Unreserved Use is 200% of the CRSP or LAP approved rate for firm Point-to-Point transmission service. The minimum rate used, even for 1 hour of Unreserved Use, will be the daily firm Point-to-Point rate. The maximum rate used will be the monthly firm Point-to-Point rate.
- Additionally, the customer is required to pay for all ancillary services associated with the unreserved use.
- For detailed information refer to the Rate Schedules and the "Assessing Unreserved Use Penalties" Business Practice.

SCHEDULING PATHS

- Transaction schedules must be tagged from the same POR/POD combination as identified in the confirmed OASIS Reservation. To monitor the scheduled flow on Constraint Paths, WACM may require the POR/POD in the reservation be listed in separate physical segments. For detailed information in this regard, refer to "E-Tag Template."
- Transaction schedules that do not match POR/POD as identified in OASIS will not be allowed and the E-tag will be denied.

CONSTRAINED PATHS

WAPA-RMR manages five constrained interfaces involving multiple transmission owners, referred to as:

- * WECC Path 30 or TOT-1A, Northwest Colorado – Southeast Utah
- * WECC Path 31 or TOT-2A, Southwest Colorado – New Mexico & Arizona
- * WECC Path 36 or TOT-3, Southeast Wyoming – Eastern Colorado
- WECC Path 39 or TOT-5, Western Colorado – Eastern Colorado
- YT-South, Southern Montana – Northern Wyoming

Many transactions taking place across the CRSP and/or LAP transmission systems involve at least one of these interfaces. Three of these paths are Qualified Paths for unscheduled flow mitigation through the WECC UFAS procedures. These paths are identified with an asterisk symbol.

Any of the above paths may become overloaded as a result of unscheduled flow. Coordinated phase shifter operation and/or schedule reductions may be required on the qualified paths. WAPA-RMR may determine that current system conditions are such that the anticipated schedule(s) cannot be implemented, and adjustments to the existing schedules may be required.

CREDIT FOR OUTAGES/CURTAILMENTS**Non-Firm:**

- Credit will be provided to the customer for all curtailments occurring on a specific purchased path caused by outages to that path.
- No credit will be provided for outages or curtailments occurring on other facilities that may impact transactions on a purchased transmission path.

Firm:

- No credit will be provided for planned maintenance outages or forced outages on a specific purchased transmission path.
- No credit will be provided for outages or curtailments occurring on other facilities that may impact transactions on a specific purchased transmission path.
- For detailed information in this regard refer to the “Crediting Policy for System Outages” Business Practice.

Expanded Transmission Service:

- **Redirect:** Redirect will be available only on all firm reservations. Redirect service has been expanded to include all firm reservations (Long-Term, Short-Term) as of July 20, 2004. For non-firm redirect of firm services, requests shall be submitted as Secondary Hourly from Alternate POR/POD.
- **Partial Service:** If WACM cannot accommodate customer's request in its entirety for lack of ATC, WACM will Counteroffer the transmission capacity that is available as practicable within real-time conditions.

TRANSMISSION LOSSES SERVICE (WACM Rate Schedule L-AS7)

Effective October 1, 2016, the WACM Loss Percentage is 4.5%. This loss factor is subject to change on an annual basis, as deemed necessary by WACM.

WACM provides Transmission Losses Service to all the Transmission Service Providers (TSPs) who market transmission inside the WACM Control Area (also known as WACM Balancing Authority Area). Those TSPs include, but are not limited to, the following entities: BEPW, BHBE, CRCM, CSU, LAPT, PNM, PRPA, PSCO, TEPC, TSGT, and UMPS.

Transmission losses are assessed for all real-time and prescheduled transactions on transmission facilities inside the WACM Control Area as follows:

- **Import Transactions:** Import Transactions are those which show the source as a Balancing Authority outside of WACM and a sink in WACM; excluding network service transactions from designated or non-designated resources. The loss responsibility falls on the last TSP identified in the e-tag. For certain imported interchanges, such as those which sink in Black Hills Power Sub Balancing Authority (BHP) or Colorado Springs Utilities Sub Balancing Authority (CSU), the loss responsibility falls on the last TSP before entering CSU or BHP.
- **Export Transactions:** Export transactions are those transactions that show the source as WACM and the sink as another Balancing Authority. The loss responsibility falls on the last TSP inside WACM as identified in the e-tag.
- **Wheeled-Through Transactions:** Wheeled-through transactions are those transactions that flow through the entire WACM system for which WACM is an intermediary Balancing Authority/Scheduling Entity (neither the Source/Generating Balancing Authority nor the Sink/Load Balancing Authority). The loss responsibility falls on the last TSP inside WACM as identified in the e-tag.

These provisions may not apply if there are pre-existing contractual arrangements or other specified method(s) for loss assessment. The Losses applicable to the CRCM and LAPT TSPs will be passed directly to the CRCM and LAPT Transmission Customers. Pursuant to WAPA's Open Access Transmission Tariff (OATT), Attachment A (Firm Point-to-Point), Section 9.1.1; Attachment B (Non-Firm Point-to-Point), Section 9.1.1; and Attachment F (Network Integration Service), Section 4.1.1, this posting constitutes official notification that the LAPT and CRCM TSPs are adjusting the specified transmission loss rate applicable to transmission service. The Losses applicable to BEPW TSP will be at 5.5%

and will be passed directly to BEPW's Transmission Customer pursuant to the Agent Service Agreement between WAPA-RMR and Basin Electric Power Cooperative.

Effective July 1, 2002, WACM began assessing an additional 1.7% losses on schedules across the Sidney DC Tie during the times when Sidney and Stegall DC Ties are running in opposite directions. These additional losses will be assessed financially by taking the invoice from Nebraska Public Power District (or its agent or successor organization) and apportioning a share of that invoice in that same month (e.g., January opposite losses bill received by WAPA in February would be billed in February). Billable shares shall be determined by percentage ratio calculated by each entity's scheduled energy during all hours (in the billing period in question) of opposite operations (aggregated for each direction and then summed), divided by the total of that same formula aggregated over all applicable entities. The percentage ratio shall be applied to the NPPD invoice to calculate the assessment to be billed to each entity.

Transmission Losses Service for Point-to-Point Transmission Service (No Imbalance Service Taken):

TSPs or Transmission Customers of BEPW, CRCM, and LAPT taking Point-to-Point Transmission Service will be allowed the option of either:

- 1) Returning in-kind energy to settle their transmission loss obligations; or
- 2) Settling their transmission loss obligations financially based on the WACM weighted average hourly purchase price. Financial settlement will be the default methodology for assessing loss obligation.

For those selecting 1), above, they further have the option of scheduling the return energy concurrently or seven days in arrears, in the same energy profile. Customers must select an option for energy repayment (concurrent or seven days in arrears) and be measured against that selection on an annual basis. It is the TSP's or Transmission Customer's responsibility to notify WACM via an e-mail their preference before the start of the schedule.

Pricing for Transmission Losses Service for Point-to-Point Transmission Customers

The pricing for Transmission Losses Service for Point-to-Point Transmission Customers is the WACM weighted average hourly purchase price. When there is no real-time purchase within the hour, the pricing defaults will be applied in the following order:

1. Weighted average purchase pricing for the day (on- and off-peak).
2. Weighted average purchase pricing for the current month (on- and off-peak).
3. Weighted average purchase pricing for the prior month (on- and off-peak).
4. Weighted average purchase pricing for the month prior to the prior month (on- and off-peak), and continuing in this manner until purchase pricing is located.

The TSPs with loads within the WACM BA Area may request to have their export and activity loss calculations integrated into their Energy/Generator Imbalance Service calculations.

Calculating and Tagging Point-to-Point Transmission Loss Obligations

For these Point-to-Point Transmission Service transactions that are to be settled as energy-in-kind, the loss obligation will be calculated hourly, but rounded on a daily basis, using standard rounding criteria (.49 and lower being rounded down to the nearest whole MW, and .50 and higher being rounded up to the nearest whole MW).

Transmission losses for both prescheduled and real-time Point-to-Point Transmission Service transactions can be submitted using one aggregated electronic tag for each activity, for all losses applicable to the prescheduled or real-time activity. In the comment field of the electronic tags, it must be clearly designated as a "Prescheduled Loss Tag for mm/dd/yy" or "Real-time Loss Tag for mm/dd/yy". The profile shall be flat MW schedules separated into on-peak and off-peak periods. The last PSE on the tag must be coded as WACM. For more information on how the loss schedule should be constructed, refer to "Scheduling Loss Energy" Business Practice.

Settlement for Transmission Losses Service for Point-to-Point Transmission Service Transactions

- **Settlement for Deficient Energy Return:** If "energy return" is indicated as the preferred method and the loss obligation is underpaid (either partially or in full), the balance due will be settled financially using the WACM weighted average hourly purchase price and billed on a calendar month basis. Financial settlement will always be the default when losses promised to be delivered are not received by WACM.
- **Settlement for Surplus Energy Return:** If "energy return" is indicated as the preferred method and the loss obligation is overpaid, the overpaid amount of energy is considered lost to the system and no credit is given. No financial compensation or energy return will be provided by WACM for overpayment of loss obligations. There should be no condition beyond the control of the TSP or Transmission Customer that results in overpayment. The TSPs or Transmission Customers are entirely in control of knowing how much energy they schedule and calculating and scheduling to repay for losses.

Transmission Losses Service for Point-to-Point Transmission Service when Imbalance Service is also Taken (Schedules 4 and 9):

TSPs or Transmission Customers who take Imbalance Service from WACM have the same option of scheduling the return energy concurrently or seven days in arrears, in the same energy profile; however, the Imbalance Service calculation will still be calculated hourly, with all resources and obligations measured within that hour, without regard to when the losses were to have covered an obligation.

When a customer taking Imbalance Service overpays its energy settlement for its loss obligations, the overpaid energy will appear in the context of the measurement of the customer's total resources and obligations, measured hourly, and the customer will be credited financially for the losses over delivered. The opposite will occur if a customer taking Imbalance Service underpays its energy settlement for its loss obligations; e.g., the underpaid energy will appear in the context of the measurement of the customer's total resources and obligations, measured hourly, and the customer will be charged financially for losses under delivered.

Pricing and Settlement for Transmission Losses for Customers Taking Imbalance Service

See Energy Imbalance and Generator Imbalance services below

DELIVERY POINTS FOR TRANSMISSION LOSSES

Scheduled losses can be delivered to any POR on the LAPT, CRCM, or BEPW system, except for SCSE (Sidney Converter Station East). The Sidney Converter Station is a controlled device and appropriate transmission capacity **MUST** be reserved on the Sidney Converter Station to deliver losses to SCSW (Sidney Converter Station West). For the complete list of the POR/POD and the applicable A-Ref number to schedule the loss pay back refer to “Scheduling Loss Energy” Business Practices.

HOURLY NON-FIRM REQUESTS

- To maximize transmission availability, ATC for Hourly Non-Firm capacity is calculated hourly at 15 minutes past the hour.
- Requests for Hourly Non-Firm reservations must be submitted via the OASIS and in accordance with the timing requirements listed in the table below.
- All reservations must be requested through the OASIS website. Verbal requests and confirmations will be permitted within the posted timing requirements should the WACM OASIS website become inoperative. No exceptions will be allowed for operational problems originating at the customer’s site.
- Some Real-Time Hourly requests will be refused for insufficient ATC based on system conditions. As system conditions fluctuate, the OASIS may show ATC available, but it may be refused.
- At no time will a request be accepted when the ATC posted as available is at zero, regardless of system conditions.

ENERGY SCHEDULES

- Per WECC Approved Regional Criteria, an approved transaction tag must accompany all pre-scheduled non-real-time energy transactions. If there is no valid tag, the schedule will not be implemented.
- Tags for real-time energy transactions shall be submitted in accordance with NERC Interchange Standards, WECC Regional Criteria, and Transmission Service Provider’s Business Practices.

FIRM TRANSMISSION REQUESTS

Requests for Short-Term Firm Transmission Service must be made through the OASIS.

- For a valid request for Daily, Weekly or Monthly Firm Transmission Service for which LAPT or CRCM has ATC, a response will be made to the requestor within the timing requirements listed below. All Weekly and Monthly Transmission Service requests will initially be placed in Received mode.
- All requests for Long-Term Firm Transmission Service must be made through the OASIS.
- All Long-Term Firm Transmission requests will initially be placed in STUDY mode.

- The non-refundable processing fee is required for all Long-Term Transmission Service requests and it must be received by WAPA within 5 business days of the OASIS request, or the request will be INVALID.
- Information required for a complete application, as defined in section 17.2 of the OATT, must be received via facsimile (970) 490-7213 (use the Transmission Service Application form found at http://www.oatiaoasis.com/cwo_default_WACM.html under LAPT or CRCM) within 5 business days of the OASIS request, or the request will be INVALID.
- A Service Agreement will be forwarded after WAPA-RMR receives the required information.

ROLLOVER REQUESTS:

Any existing Long-Term customer with a contract term of five (5) years or more that wishes to exercise its reservation priority must make an application for its new service term following the usual pro forma OATT procedures. Notification to exercise a right of first refusal for Long-term Firm under Section 2.2 of the OATT must be received by the TSP no less than one (1) year prior to the date an existing Long-term contract ends and the commencement of the new service. In addition, the request to exercise roll over rights on the WACM OASIS should be made by selecting Request Type of “Renewal”. A Long-Term customer with a contract term of less than five (5) years must make their request sixty (60) days prior to the termination of service.

TRANSMISSION RATES (OATT Schedules 7 and 8 and Rate Schedules L-NT1, L-FPT1, L-NEPT1 and SP-NW4, SP-PTP8, SP-NFT7)

PROJECT	LAPT (10/01/2016-09/30/2017)	CRCM (10/01/2016-09/30/2017)	BEPW	PROJECT	LAPT (10/01/2016-09/30/2017)	CRCM (10/01/2016-09/30/2017)	BEPW
Hourly Non-Firm (\$/MW-hour)	\$5.45	\$2.03	\$1.49	Hourly Firm (MW-day)	N/A	N/A	N/A
Daily Non-Firm (\$/MW-day)	\$130.00	\$48.75	\$36.00	Daily Firm (MW-day)	\$130.00	\$48.75	\$36.00
Weekly Non-Firm (\$/MW-week)	\$920.00	\$342.10	\$250.00	Weekly Firm (MW-week)	\$920.00	\$342.10	\$250.00
Monthly Non-Firm (\$MW-month)	\$3,980.00	\$1,483.00	\$1,090.00	Monthly Firm (MW-month)	\$3,980.00	\$1,483.00	\$1,090.00
Yearly Non-Firm (\$MW-year)	N/A	N/A	N/A	Yearly Firm (MW-year)	\$47,740.00	\$17,790.00	\$13,040.00

ANCILLARY SERVICES (OATT Schedules 1, 2, 3, 4, & 9 and applicable rate schedules)

- **Scheduling, System Control, and Dispatch Service (SSCD) (Rate Schedule L-AS1):**

This service is required to schedule the movement of power through, out of, within, or into a Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. WACM, as the Control Area Operator, provides this service on behalf of all TSPs within the WACM Control Area and those TSPs must purchase this service from WACM.

Effective **October 1, 2016**, the charge for SSCD service is **\$20.58** per schedule per day and will be applied to all schedules, except those for the delivery of Transmission Losses to WACM. In cases which there are more than one TSP on a schedule, the charge will be divided equally among all listed TSPs inside WACM. WACM will accept any number of scheduling changes over the course of the day without any additional charge. The SSCD charges associated with Federal Transmission (transmission system of LAP and CRSP) Service are included in the LAP and CRSP Transmission Service rates.

- **Reactive Supply and Voltage Control from Generation or Other Sources Service (VAR Support) (Rate Schedule L-AS2):**

This service is required to maintain transmission voltages on the TSP's transmission facilities within acceptable limits, using generation facilities and non-generation resources capable of providing this service to produce or absorb reactive power. Thus, VAR Support must be provided for each transaction (point-to-point and network) on the transmission facilities within the Control Area. VAR Support charges applicable to point-to-point transmission reservations will be assessed using OASIS reservations (TSR) regardless of whether the reservation is scheduled or not.

All Federal Transmission Customers must purchase this service from the CRCM and LAPT TSPs, unless the Federal Transmission Customer has generating resources capable of providing VARs directly connected to a Federal Transmission facility owned and operated by CRCM and/or LAPT and has executed a contract stipulating all the provisions of their self-supply. Please refer to WAPA RMR's "Request for Exemption of LAPT and CRCM VAR Charges" form posted on the LAPT and CRCM OASIS. If WACM provides VAR Support on behalf of any non-Federal TSP, VAR Support will be assessed based on either the TSP's reserved capacity or the tagged megawatt usage of the TSP's transmission customers.

Effective **October 1, 2016**, the charges for VAR Support service are as follows:

Services	Charges
Hourly	\$0.091/MW Hour
Daily	\$2.00/MW Day
Weekly	\$15.00/MW Week
Monthly	\$67.00/MW Month

- **Regulation and Frequency Response Service (Regulation) (Rate Schedule L-AS3):**

This service is necessary to provide for the continuous balancing of resources, generation, and interchange with load and for maintaining scheduled interconnection frequency at sixty cycles per second. This is accomplished by committing on-line generation whose output is raised or lowered to follow the moment-by-moment changes in load. **All loads inside the Control Area consume regulation; therefore, WACM, by default, provides Regulation service to all loads inside the Control Area.**

The CRCM and LAPT TSPs offer this service when transmission service is used to serve load within WACM and the Federal Transmission Customers must purchase this service from the CRCM and LAPT TSPs or make alternative comparable arrangements with WACM to satisfy their regulation obligations. For the LSEs who are not taking Federal Transmission Service from CRCM and/or LAPT, WACM will assess Regulation service charges for their load and for their variable resources inside WACM.

There are two different applications of this rate:

1. Load-based Assessment: assessed on load and installed nameplate capacity of all Variable Resources (wind and solar generation), serving load inside WACM **multiplied by the applicable annually calculated capacity multiplier**. A Variable Resource is a resource whose output is volatile and variable due to factors beyond direct operational control and therefore not dispatchable.
2. Self-provision Assessment: measured and assessed based on use of the entities 1-minute average ACE.

Effective **October 1, 2016**, the charges for Regulation service are as follows:

Services	Charges
Hourly	\$0.292/MW Hour
Daily	\$7.00/MW Day
Weekly	\$51.00/MW Week
Monthly	\$222.00/MW Month
Wind Capacity Multiplier	182%
Solar Capacity Multiplier	100%

Alternative Arrangements:

Exporting Variable Resource Requirement: An entity that exports the output from a Variable Resource to another balancing authority will be required to dynamically transfer that resource out of WACM to another balancing authority unless arrangements, satisfactory to WACM, are made for that entity to acquire this service from a third party or self-supply (as outlined below).

Self- or Third-party supply: WACM may allow an entity to supply some or all of its required regulation, or contract with a third party to do so. This entity must have revenue quality metering at every load and generation point, accurate as defined by NERC, to include MW flow data availability at 6-second or smaller intervals. WACM will evaluate the entity's metering, telecommunications and regulating resource, as well as the required level of regulation, and determine whether the entity qualifies to self-supply under this provision. If approved, the entity is required to enter into a separate agreement with WACM which will specify the terms of the self-supply application.

- **Energy Imbalance Service (Rate Schedules L-AS4 and SP-EI4):**

WACM provides Energy Imbalance Service when a difference occurs between the scheduled and the actual delivery of energy to a load located within the Control Area over a single hour. Energy Imbalance is calculated as resources minus obligations (adjusted for transmission and transformer losses) for any combination of generation, scheduled transfers, transactions, or actual load integrated over each hour. The CRCM and LAPT TSPs offer this service when Federal Transmission Service is used to serve load within WACM and the Federal Transmission Customers must purchase this service from the CRCM and/or LAPT TSPs or make alternative comparable arrangements with WACM to satisfy their Energy Imbalance obligations. By default, WACM, as the Control Area Operator, provides Energy Imbalance Service to all entities within its Control Area footprint. All entities who serve load inside the WACM Control Area must enter into separate agreements with WACM which will specify the terms of the Energy Imbalance Service obligation.

Energy Imbalances are calculated in three deviation bands:

1. An imbalance of less than or equal to 1.5% of metered load (or 4 MW, whichever is greater) for any hour is settled financially at 100% of the WACM weighted average hourly energy price.
2. An imbalance between 1.5% and 7.5% of metered load (or 4 to 10 MW, whichever is greater) for any hour is settled financially at **10% penalty** of the WACM weighted average hourly energy price when net energy scheduled exceeds metered load or 110% of the WACM weighted average hourly energy price when net energy scheduled is less than metered load.
3. An imbalance greater than 7.5% of metered load (or 10 MW, whichever is greater) for any hour is settled financially at **25% penalty** of the WACM weighted average hourly energy price when net energy scheduled exceeds metered load or 125% of the WACM weighted average hourly energy price when net energy scheduled is less than metered load.

Pricing: All Energy Imbalance Service provided by WACM is accounted for hourly and settled financially. The WACM aggregate imbalance determines the energy pricing used in all deviation bands. A surplus dictates the use of sales pricing; a deficit dictates the use of purchase pricing. When no hourly data is available, the pricing defaults for sales and purchase pricing are applied in the following order:

1. Weighted average sale or purchase pricing for the day (on- and off-peak).
2. Weighted average sale or purchase pricing for the current month (on- and off-peak).
3. Weighted average sale or purchase pricing for the prior month (on- and off-peak).
4. Weighted average sale or purchase pricing for the month immediately prior to the prior month (on- and off-peak), and continuing in this manner until sale or purchase pricing is located.

- **Generator Imbalance Service (Rate Schedule L-AS9):**

WACM provides Generator Imbalance Service when there is a difference between a Customer's resources and obligations. Generator Imbalance is calculated as actual generation minus scheduled generation for each hour. The CRCM and LAPT TSPs offer this service when Federal Transmission Service is used to deliver energy to serve load within WACM and the Federal Transmission Customers must purchase this service from the CRCM and/or LAPT TSPs or make alternative comparable arrangements with WACM to satisfy their Generator Imbalance obligations. By default, WACM, as the Control Area Operator, provides Generator Imbalance Service to all entities within its Control Area footprint. All entities who have generation inside the WACM Control Area must enter into separate agreements with WACM which will specify the terms of the Generator Imbalance Service. This service is applicable to all jointly-owned generators (unless arrangements are made to allocate actual generation to each individual owner), variable generators (unless arrangements are made to assess the variable generator under Rate Schedule L-AS4), and any non-variable generators without associated load inside the WACM Control Area.

Generator Imbalances are calculated in three deviation bands:

1. An imbalance of less than or equal to 1.5% of metered generation (or 4 MW, whichever is greater) for any hour is settled financially at 100% of the WACM weighted average hourly energy price.
2. An imbalance between 1.5% and 7.5% of metered generation (or 4 to 10 MW, whichever is greater) for any hour is settled financially at **10% penalty** of the WACM weighted average hourly energy price when actual generation exceeds scheduled generation or 110% of the WACM weighted average hourly energy price when actual generation is less than scheduled generation.
3. An imbalance greater than 7.5% of metered generation (or 10 MW, whichever is greater) for any hour is settled financially at **25% penalty** of the WACM weighted average hourly energy price when actual generation exceeds scheduled generation or 125% of WACM weighted average hourly energy price when actual generation is less than scheduled generation.

Variable generators are exempt from 25% penalties. All Generator Imbalances greater than 1.5% of metered generation are subject only to a 10% penalty.

All Generator Imbalance Service provided by WACM is accounted for hourly and settled financially. The WACM aggregate imbalance determines the energy pricing used in all deviation bands. A surplus dictates the use of sale pricing; a deficit dictates the use of purchase pricing. When no hourly data is available, the pricing defaults for sales and purchase pricing are applied in the following order:

1. Weighted average sale or purchase pricing for the day (on- and off-peak).
2. Weighted average sale or purchase pricing for the current month (on- and off-peak).
3. Weighted average sale or purchase pricing for the prior month (on- and off-peak).
4. Weighted average sale or purchase pricing for the month immediately prior to the prior month (on- and off-peak), and continuing in this manner until sale or purchase pricing is located.

A complete list of transmission and ancillary services rates are available at the following links:

LAPT Transmission Service Provider: <http://www.wapa.gov/regions/RM/rates/Pages/Transmission-ancillary.aspx>

CRCM Transmission Service Provider: <http://www.wapa.gov/regions/crsp/rates/pages/rates.aspx>

FIRM TRANSMISSION SERVICE REQUESTS

Terms of Service

TRANSMISSION REQUESTS					RESPONSE TIME			DISPLACE/SUPERSEDE	
Service Type	Term	Curtailment Priority	No Later Than	No Earlier Than	Provider Evaluation Time Limit	System Impact Study	Customer Confirmation Time Limit after ACCEPTED or COUNTEROFFER	No Later Than	Right of First Refusal
Network	1-10 Years	7	(60) Calendar Days Prior To Initial Month	10-Years Prior To Start of Service	(30) Calendar Days	(60) Calendar Days	(15) Calendar Days	N/A	N/A
Fixed Or Sliding Yearly 1-10 yr	Fixed Or Sliding Yearly 1-10 Yr.	7	** (60) Calendar Days Prior To Initial Month	10-Years Prior To Start of Service	(30) Calendar Days	(60) Calendar Days	(15) Calendar Days	N/A	N/A
Firm Point-to-Point	Fixed Monthly (Calendar Month) 1-11 months	7	(14) Calendar Days Prior To Start Of Service	120 Calendar days Prior To Start of Service	(30) Calendar Days ¹	(60) Calendar Days	4 Days	1-Month Prior To Commencement Of Service	24-Hours
Firm Point-to-Point	Fixed or Sliding Weekly 1-4 Weeks	7	(2) Business Days Prior To Start of Service	60 Calendar days Prior To Start of Service	(30) Calendar Days ¹	(60) Calendar Days	48 Hours	1-Week Prior To Commencement Of Service	24-Hours
Firm Point-to-Point	Fixed Daily (Calendar Day) 1-6 Days	7	1400 Day Prior To Start of Service	30 Calendar days Prior To Start of Service	(30) Calendar Days ¹	(30) Calendar Days	<24 Hrs ² – 120 Min ² >24 Hrs – 24 Hrs	1-Day Prior To Commencement Of Service	24-Hours Or Up To 1-Day Prior To schedule Start, Whichever Is Less
Network Service From Non-Designated Resources	Based On Network Reservation	6	1400 Day Prior To Start of Service	As Soon As Practicable	(1) Business Day	N/A	Optional	1000 Day Prior	N/A

1. Subject to expedited time requirements of Section 17.1 of the pro forma tariff. Transmission Service Providers should make best efforts to respond within 72 hours, or prior to the scheduling deadline, whichever is earlier.
 2. Time QUEUED prior to start of service. Less than (<), Greater than (>). Example: <24 Hrs – Request submitted within 24 hours prior to the start of service.
- ** Customers with a point-to-point contract term of five (5) years or more must make a request for its new service no later than one (1) year prior to termination of service.

NON FIRM TRANSMISSION SERVICE REQUESTS

Terms of Service

TRANSMISSION REQUESTS					RESPONSE TIME			DISPLACE/SUPERSEDE	
Service Type	Term	Curtailment Priority	No Later Than	No Earlier Than	Provider Evaluation Time Limit	System Impact Study	Customer Confirmation Time Limit after ACCEPTED or COUNTEROFFER	No Later Than	Right of First Refusal¹
Non-Firm Point-to- Point	(Fixed Monthly) 1-Calendar Month	5	1400 Day Prior To Start of Service	60-Calendar Days Prior To Start of Service	2-Calendar Days	N/A	24 Hours	1400 Day Prior To Start of Service	24-Hours Or 1400 Prior To Schedule Start – Whichever Is Less
Non-Firm Point-to- Point	(Fixed or Sliding Weekly) 1- 4 Weeks	4	1400 Day Prior To Start of Service	(14) Calendar Days Prior To Start of Service	4 Hours or As Soon as Practicable	N/A	24 Hours	1400 Day Prior To Start of Service	24-Hours Or 1400 Prior To Schedule Start – Whichever Is Less
Non-Firm Point-to- Point	(Fixed Daily) 1-6 days	3	1400 Day Prior To Start of Service	(2) Calendar Days Prior To Start of Service	30-Minutes or As Soon as Practicable	N/A	120 Minutes	1400 Day Prior To Start of Service	24-Hours Or 1400 Prior To Schedule Start – Whichever Is Less
Non-Firm Point-to- Point	(Fixed Hourly) 1-24 Hrs Within One Calendar Day	2	20-Mins Prior To Start of Service	0600 Day Prior to Start of Service	30-Minutes or As Soon As Practicable	N/A	<1 Hrs ² - 5 Min. 1>24 Hrs ² – 5 Min. 24 Hrs ² > - 10 Min.	1400 Day Prior To Start of Service	Immediately On Notification
Firm Point- to- Point from Secondary POD &/or POR	Based On Firm Reservation	1	30-Mins Prior To Start of Service	0600 Day Prior To Start of Service	30-Minutes or As Soon As Practicable	N/A	<1 Hrs ² - 5 Min. 1>24 Hrs ² – 5 Min. 24 Hrs ² > - 10 Min.	1400 Day Prior To Start of Service	N/A

1. The right of first refusal applies only with respect to requests for service that are being preempted by competing, longer-term requests for non-firm point-to-point transmission service.
2. Time QUEUED prior to start of service. Less than (<), Greater than (>).
Example: <1 Hrs – Request submitted within 1 hour prior to the start of service.