UNITED STATES DEPARTMENT OF ENERGY WESTERN AREA POWER ADMINISTRATION

UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION

ANNUAL TRANSMISSION REVENUE REQUIREMENT FOR TRANSMISSION SERVICE

(Approved Under Rate Order No. WAPA-218)

Effective:

Beginning on April 1, 2026~~October 1, 2020~~, and remaining in effect through March 31, 2031~~September 30, 2025~~, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the *Federal Register*~~Federal Register~~.

Applicable:

Western Area Power Administration-Upper Great Plains ~~Region's~~ (~~Western~~WAPA-UGP) region's formula based Annual Transmission Revenue Requirement (ATRR) for its eligible transmission related facilities included under the Southwest Power Pool, Inc. (SPP) Tariff will be calculated using the formula outlined below.

Formula Rate

Define:

A = Operation & Maintenance allocated to transmission ($)

B = Depreciation allocated to transmission ($)

C = Interest Expense allocated to transmission ($)

D = Administrative and General allocated to transmission ($)

E = Revenue Credits ($)

F = Scheduling, System Control, and Dispatch costs ($)

G = Prior Period True-up ($)

ATRR = A + B + C + D – E – F + G

WAPA-UGP will identify East, East DC and West any portion(s) of the ATRR eligible for recovery under SPP Schedule 9 pursuant to the SPP Tariff in its Rate Formula Template submitted under Attachment H of the SPP Tariff.

~~C = Interest Expense allocated to transmission ($)~~

~~D = Revenue Credits ($)~~

~~E = Scheduling, System Control, and Dispatch costs ($)~~

~~F = Prior Period True-up ($)~~

~~ATRR = A + B + C – D – E + F~~

Note: Western-UGP will identify any portion(s) of the ATRR eligible for recovery under SPP Schedule 11 pursuant to the SPP Tariff in its Rate Formula Template submitted under Attachment H of the SPP Tariff.

A recalculated annual revenue requirement will go into effect every January 1 based on the above formula and updated financial data. ~~Western~~WAPA-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and ~~Western~~WAPA-UGP's Open Access Same-Time Information System (OASIS).

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION

SCHEDULING, SYSTEM CONTROL, AND DISPATCH SERVICE

(Approved Under Rate Order No. WAPA-218)

Effective

Beginning on April 1, 2026~~October 1, 2020~~, and remaining in effect through March 31, 2031~~September 30, 2025~~, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the *Federal Register*~~Federal Register~~.

Applicable

Scheduling, System Control, and Dispatch Service (SSCD) is required to schedule the movement of power through, out of, within, or into the Southwest Power Pool, Inc. (SPP) Balancing Authority Area and/or the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Western Area Power Administration-Upper Great Plains ~~Region's (Western~~WAPA-UGP) region's annual revenue requirement for SSCD will be used by SPP to calculate the regional SPP Schedule 1 rate for SPP through and out transactions, and also to calculate the zonal SPP Schedule 1 rate for the Upper Missouri Zone (UMZ or Zone 19). This rate will also be charged by SPP for SPP Transmission Service provided within the UMZ in the Western Interconnection.

~~Formula Rate~~

Formula Rate

Define:

A = Operation & Maintenance for SSCD ($)

B = Administrative and General Expense for SSCD ($)

C = Depreciation for SSCD ($)

D= Cost of Capital for SSCD ($)

E= SSCD Revenue from non-Transmission facilities ($)

F= Prior Period True-up ($)

G = Revenue/Revenue Credit Allocation ($)

SSCD Annual Revenue Requirement = A + B + C + D + E - F -+ G

~~D = Taxes Other than Income Taxes for Transmission ($)~~

~~E = Allocation of General Plant for SSCD ($)~~

~~F = Cost of Capital for SSCD ($)~~

~~G = SSCD Revenue from non-Transmission facilities ($)~~

~~H = Prior Period True-up ($)~~

~~SSCD Annual Revenue Requirement = A + B + C + D + E + F G + H~~

A recalculated annual revenue requirement will go into effect every January 1 based on the above formula and updated financial data. ~~Western~~WAPA-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and ~~Western~~WAPA-UGP's Open Access Same-Time Information System (OASIS).

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

UPPER GREAT PLAINS REGION
PICK-SLOAN MISSOURI BASIN PROGRAM--EASTERN DIVISION

INCREMENTAL MARKET EFFICIENCY USE
(Approved Under Rate Order No. WAPA-218)

Effective:

Beginning on April 1, 2026, and remaining in effect through March 31, 2031, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.

Applicable:

Incremental Market Efficiency Use (Incremental MEU) compensates each West DC Tie Transmission Owner for the expected loss of life of that owner's West DC Tie facilities due to increased utilization of the West DC Ties by the Southwest Power Pool, Inc. (SPP) Integrated Marketplace. Western Area Power Administration- Upper Great Plains (WAPA-UGP) region's Incremental MEU Share for the Miles City Converter Station (Miles City DC Tie) will be calculated using the formula outlined below.

Formula Rate

Define (for each Group of Incremental MEU eligible Miles City DC Tie equipment):

A = Miles City DC Tie Gross Plant Impacted by Incremental MEU ($)

B = Average Service Life of Gross Plant Impacted by Incremental MEU

C = Average Service Life Depreciation Rate of Gross Plant Impacted by Incremental MEU (%)

D = Loss of Service Life Due to Market Use (%)

E = Decreased Average Service Life Depreciation Rate of Gross Plant Impacted by Incremental MEU (%)

Incremental MEU Share (for each Group) = (E-C)*A, where 1/B=C, and where 1/(B*(1-D))=E

F = Prior period true-up ($)

Total Incremental MEU Share = Sum of Incremental MEU Share (for all Groups) + F

A recalculated Incremental MEU Share will go into effect every January 1 based on the above formula and updated financial/criteria data. WAPA-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated Incremental MEU Share on or shortly after September 1 of the preceding year. This data and information will be posted on the applicable SPP website and WAPA-UGP's Open Access Same-Time Information System (OASIS).

Rate Schedule WAUW-AS3

October 1, 2020
(Supersedes Rate Schedule WAUW-AS3 dat
October 1, 2015, through September 30, 202

UNITED STATES
DEPARTMENT OF ENERGY WESTERN AREA POWER ADMINISTRATION

UPPER GREAT PLAINS
REGION

PICK-SLOAN
MISSOURI BASIN PROGRAM--EASTERN DIVISION

REGULATION AND
FREQUENCY RESPONSE SERVICE - WAUW

Effective
Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.

Applicable

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Regulation and Frequency Response Service (Regulation) is necessary to provide for the continuous balancing of resources, generation, and interchange with load and for maintaining scheduled interconnection frequency at 60 cycles per second (60 Hz). Regulation is accomplished by committing on-line generation whose output is raised or lowered, predominantly through the use of automatic generating control equipment, as necessary, to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with the Western Area Power Administration-Upper Great Plains Region (Western-UGP) as the WAUW operator. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Regulation obligation. Western-UGP's annual revenue requirement for Regulation (outlined below) will be used by SPP to calculate the WAUW charges for Regulation.

Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. When Western-UGP purchases power resources to provide Regulation to intermittent resources serving load within Western-UGP's WAUW, costs for these regulation resources will become part of

~~Western's Regulation revenue requirement, which will be billed by SPP, as the Transmission Provider, to a SPP Transmission Customer along with the associated transmission service provided by SPP under the SPP Tariff. However, Western-UGP will not regulate for the difference between the output of an intermittent resource located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent resources serving load outside Western-UGP's WAUW will be required to be pseudo-tied or dynamically scheduled to another Balancing Authority Area.~~

~~An intermittent resource, for the limited purpose of this Rate Schedule, is an electric generator that is not dispatchable and cannot store its fuel source and, therefore, cannot respond to changes in demand or respond to transmission security constraints.~~

~~Formula Rate~~

~~Define:~~

~~A = U.S. Army Corps of Engineers (Corps) Fixed Charge Rate (%) B = Corps Generation Net Plant Costs ($)~~

~~C = Plant Capacity (kW)~~

~~D = Capacity Used for Regulation (kW-year) E = Capacity Purchases for Regulation ($)~~

~~F = Prior Period True-up~~

~~Regulation Annual Revenue Requirement = (A * B / C) * D + E + F~~

~~A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial data. Western-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's Open Access Same-Time Information System (OASIS).~~

Rate Schedule WAUW-AS4
October 1, 2020
(Supersedes Rate Schedule WAUW-AS4 dat
October 1, 2015, through September 30, 2020

UNITED STATES
DEPARTMENT OF ENERGY WESTERN AREA POWER ADMINISTRATION

UPPER GREAT PLAINS
REGION

PICK-SLOAN
MISSOURI BASIN PROGRAM--EASTERN DIVISION

ENERGY IMBALANCE
SERVICE - WAUW

Effective

Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.

Applicable

This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Energy Imbalance Service is provided when a difference occurs between scheduled and actual delivery of energy to a load located within Western Area Power Administration Upper Great Plains Region's (Western-UGP) WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable). Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western-UGP, as the Balancing Authority, will offer to provide Energy Imbalance Service in the WAUW at the request of SPP, if it is capable of doing so, from its own resources or from resources available to it including possible participation in a Western Interconnection energy imbalance service market. SPP is the Transmission Provider for the eligible Western-UGP facilities transferred to the functional control of SPP in the WAUW. Energy Imbalance Service is needed when transmission service is provided by SPP and used to serve load within the WAUW, or when a difference occurs between the expected and actual delivery of energy to/from the WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable) in the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority. Energy Imbalance Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either

purchase this service from SPP, or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.

The SPP Transmission Customer will incur a charge for either hourly energy imbalances under this Schedule, WAUW-AS4, or hourly generator imbalances under Rate Schedule WAUW-AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Formula Rate

(A) In the event that Western-UGP does not participate in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:

For deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost.

Deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy taken in a schedule hour is greater than the energy scheduled, the charge is 110 percent of incremental cost. When energy taken is less than the scheduled amount, the credit is 90 percent of the incremental cost.

Deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's incremental cost when energy taken in a schedule hour is greater than the energy scheduled or 75 percent of Western- UGP's incremental cost when energy taken by a SPP Transmission Customer is less than the scheduled amount.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP website and Western-UGP's Open Access Same-Time Information System (OASIS) at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

The pricing and charge for deviations in the above deviation bandwidths is as specified above. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.

(B) In the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority:

~~Charges to the SPP Transmission Customer will reflect only the pass-through of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to Western-UGP as the WAUW Balancing Authority for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.~~

~~Western-UGP will post notice on the applicable SPP website and Western-UGP's OASIS, and also notify existing SPP Transmission Customers, at least 30 days before Western-UGP participates in a Western Interconnection energy imbalance service market, as the Balancing Authority. Western-UGP will also post information related to the charges assessed by the market operator for Energy Imbalance Service in the WAUW under such Western Interconnection energy imbalance service market.~~

~~Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.~~

~~Rate Schedule WAUW-AS5~~
~~October 1, 2020~~
~~(Supersedes Rate Schedule WAUW-AS5 dat~~
~~October 1, 2015, through September 30, 202~~

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

~~**UPPER GREAT PLAINS**~~
~~**REGION**~~

~~**PICK-SLOAN**~~
~~**MISSOURI BASIN PROGRAM--EASTERN DIVISION**~~

~~**OPERATING RESERVE**~~
~~**- SPINNING RESERVE SERVICE - WAUW**~~

~~Effective~~
~~Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.~~

~~Applicable~~
~~This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Operating Reserve-Spinning Reserve Service (Spinning Reserves) is needed to serve load immediately in the event of a system contingency. Spinning Reserves may be provided by generating units that are on-line and loaded at less than maximum output. Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western Area Power Administration Upper Great Plains Region (Western-UGP), as the Balancing Authority, will offer to provide Spinning Reserves, if available, at the request of SPP as the Transmission Provider in the WAUW. Operating Reserve-Spinning Reserve Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Spinning Reserves obligation. Western-UGP's annual revenue requirement for Spinning Reserves (outlined below) will be utilized by SPP to calculate the WAUW charges for Spinning Reserves.~~

~~Formula Rate~~

~~Define:~~
~~A = U.S. Army Corps of~~

~~Engineers (Corps) Fixed Charge Rate (%) B = Corps Generation Net Plant Costs ($)~~

~~C = Plant Capacity (kW)~~

~~D = Maximum Load in the WAUW (kW)~~

~~E = Maximum Generation in the WAUW (kW)~~

~~F = Reserve Sharing Program Requirement based upon Load (%) -- See Note 1~~

~~G = Reserve Sharing Program Requirement based upon Generation (%) -- See Note 2 H = Prior Period True-up~~

~~I = Annual cost associated with Western-UGP's current reserve sharing group membership~~

~~Note 1: Currently 3% in the Northwest Power Pool (NWPP) Reserve Sharing Program~~

~~Note 2: Currently 3% in the NWPP Reserve Sharing Program~~

~~Spinning Reserves Annual Revenue Requirement = (A * B / C) * ((D * F) + (E * G)) + H + I~~

~~A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial, load/generation, and Reserve Sharing Program requirements data. Western-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's Open Access Same-Time Information System (OASIS).~~

~~If resources are not available from a Western-UGP resource, Western-UGP, at the request of SPP as the Transmission Provider, will offer to purchase the Spinning Reserves and pass through the costs, plus an amount for administration, to SPP for the SPP Transmission Customer.~~

~~In the event that Spinning Reserves are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP website and Western UGP's OASIS at least 30 days before use for determining the prevailing market energy rate and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index. The SPP Transmission Customer would be responsible for providing transmission service to get the Spinning Reserves to its destination.~~

~~Rate Schedule WAUW-AS6~~
~~October 1, 2020~~
~~(Supersedes Rate Schedule WAUW-AS6 dat~~
~~October 1, 2015, through September 30, 202~~

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

~~**UPPER GREAT PLAINS**~~
~~**REGION**~~

~~**PICK-SLOAN**~~
~~**MISSOURI BASIN PROGRAM--EASTERN DIVISION**~~

~~**OPERATING RESERVE**~~
~~**- SUPPLEMENTAL RESERVE SERVICE -- WAUW**~~

~~Effective~~
~~Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.~~

~~Applicable~~
~~This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Operating Reserve-Supplemental Reserve Service (Supplemental Reserves) is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time.~~

~~Supplemental Reserves may be provided by generating units that are on-line but unloaded, by quick-start generation, or by interruptible load. Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western Area Power Administration-Upper Great Plains Region (Western-UGP), as the Balancing Authority, will offer to provide Supplemental Reserves, if available, at the request of SPP as the Transmission Provider, in the WAUW. Operating Reserve-Supplemental Reserve Service in the WAUW will be billed by SPP to the SPP Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Supplemental Reserves obligation. Western-UGP's annual revenue requirement for Supplemental Reserves (outlined below) will be utilized by SPP to calculate the WAUW charges for Supplemental Reserves.~~

~~Formula Rate~~

~~Define:~~

~~A = U.S. Army Corps of Engineers (Corps) Fixed Charge Rate (%) B = Corps Generation Net Plant Costs ($)~~

~~C = Plant Capacity (kW)~~

~~D = Maximum Load in the WAUW (kW)~~

~~E = Maximum Generation in the WAUW (kW)~~

~~F = Reserve Sharing Program Requirement based upon Load (%) -- See Note 1~~

~~G = Reserve Sharing Program Requirement based upon Generation (%) -- See Note 2 H = Prior Period True-up~~

~~I = Annual cost associated with Western-UGP's current reserve sharing group membership~~

~~Note 1: Currently 3% in the Northwest Power Pool (NWPP) Reserve Sharing Program~~

~~Note 2: Currently 3% in the NWPP Reserve Sharing Program~~

~~Supplemental Reserves Annual Revenue Requirement = (A * B / C) * ((D * F) + (E * G)) + H + I~~

~~A recalculated revenue requirement will go into effect every January 1 based on the above formula and updated financial, load/generation, and Reserve Sharing Program requirements data. Western-UGP will annually notify SPP and make data and information available to interested parties for review and comment related to the recalculated annual revenue requirement on or shortly after September 1 of the preceding year. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's Open Access Same-Time Information System (OASIS).~~

~~If resources are not available from a Western-UGP resource, Western-UGP, at the request of SPP as the Transmission Provider, will offer to purchase the Supplemental Reserves and pass through the costs, plus an amount for administration, to SPP for the SPP Transmission Customer.~~

~~In the event Supplemental Reserves are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP website and Western-UGP's OASIS at least 30 days before use for determining the prevailing market energy rate and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index. The SPP Transmission Customer would be responsible for providing transmission service to get the Supplemental Reserves to its destination.~~

~~Rate Schedule WAUW-AS7~~
~~October 1, 2020~~
~~(Supersedes Rate Schedule WAUW-AS7 dat~~
~~October 1, 2015, through September 30, 202~~

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

~~**UPPER GREAT PLAINS**~~
~~**REGION**~~

~~**PICK-SLOAN**~~
~~**MISSOURI BASIN PROGRAM--EASTERN DIVISION**~~

~~**GENERATOR**~~
~~**IMBALANCE SERVICE – WAUW**~~

~~Effective~~
~~Beginning on October 1, 2020, and remaining in effect through September 30, 2025, or until superseded by another rate schedule, whichever occurs earlier. Notification of the effective date of the formula rates will be published in the Federal Register.~~

~~Applicable~~

~~This Rate Schedule applies to the Western Area Power Administration, Upper Great Plains West Balancing Authority Area (WAUW). Generator Imbalance Service is provided when a difference occurs between the output of a generator located within Western Area Power Administration-Upper Great Plains Region's (Western-UGP) WAUW and a delivery schedule from that generator to (1) another Balancing Authority Area or (2) a load within Western-UGP's WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable). Given the Southwest Power Pool, Inc. (SPP) Integrated Marketplace does not extend into the Western Interconnection, Western-UGP, as the Balancing Authority, will offer to provide this service at the request of SPP, if it is capable of doing so, from its own resources or from resources available to it including possible participation in a Western Interconnection energy imbalance service market. SPP is the Transmission Provider for the eligible Western-UGP facilities transferred to the functional control of SPP in the WAUW. Generator Imbalance Service is needed when transmission service is provided by SPP and used to deliver energy from a generator located within the WAUW, or when a difference occurs between the expected and actual delivery of energy to/from the WAUW over a single hour (or different dispatch interval for energy imbalance service market, if applicable) in the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority. Generator Imbalance Service in the WAUW will be billed by SPP to the SPP~~

~~Transmission Customer along with the associated transmission service provided by SPP. The SPP Transmission Customer must either purchase this service from SPP or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. The SPP Transmission Customer will incur a charge for either hourly generator imbalances under this Schedule, WAUW-AS7, or hourly energy imbalances under Rate Schedule WAUW-AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.~~

~~Western-UGP supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western-UGP has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an intermittent resource located within the WAUW and a delivery schedule from that generator serving load located outside of the WAUW. Intermittent resources serving load outside Western-UGP's WAUW will be required to be pseudo-tied or dynamically scheduled to another Balancing Authority Area.~~

~~An intermittent resource, for the limited purpose of this Rate Schedule, is an electric generator that is not dispatchable and cannot store its fuel source and, therefore, cannot respond to changes in demand or respond to transmission security constraints.~~

~~Formula Rate~~

~~(A) In the event that Western-UGP does not participate in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:~~

~~For deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost.~~

~~Deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost.~~

~~Deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered from the generation resource is~~

~~greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.~~

~~Deviations from scheduled transactions responding to directives by the Transmission Provider, a Balancing Authority, or a reliability coordinator will not be subject to the deviation bands identified above and, instead, will be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.~~

~~Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP website and Western-UGP's Open Access Same-Time Information System (OASIS) at least 30 days before use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.~~

~~The pricing and charge for deviations in the deviation bandwidths is as specified above. Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.~~

~~(B) In the event that Western-UGP participates in a Western Interconnection energy imbalance service market in the WAUW as the Balancing Authority:~~

~~Charges to the SPP Transmission Customer will reflect only the pass-through of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to Western-UGP as the WAUW Balancing Authority for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Generator Imbalance Service obligation.~~

~~Western-UGP will post notice on the applicable SPP website and Western-UGP's OASIS, and also notify existing Transmission Customers, at least 30 days before Western-UGP participates in a Western Interconnection energy imbalance service market, as the Balancing Authority. Western-UGP will also post information related to the charges assessed by the market operator for Generator Imbalance Service in the WAUW under such Western Interconnection energy imbalance service market.~~

~~Data used and the charges resulting from using this formula will be posted on the applicable SPP website and Western-UGP's OASIS.~~