



Forecasted CVP Transmission Rates

Central Valley Project Transmission Rates Forecast (as of April 2016)

Rate or Revenue Requirement	Current	Non-Binding Forecast Rate generally effective April 1 each year			
	2016	2017	2018	2019	2020
Transmission Revenue Requirement (TRR) in millions	\$47.4	\$50.4	\$51.6	\$52.6	\$54.9
Network Integration Transmission Service (NITS) in millions	\$32.5	\$32.9	\$34.0	\$34.7	\$36.2
Point-to-Point Transmission Rate (P-to-P) \$/kW Mo.	\$1.78	\$2.08	\$2.10	\$2.14	\$2.24
Transmission Plant Ratio	66.25%	66.47%	66.47%	67.29%	68.41%
Capacity (kW-month)	2,213,417	2,022,038	2,046,873	2,046,873	2,046,873

Factors used in forecast:

1. O&M based on FY 2015 actual, then inflated 3% per year.
2. Plant Additions:
 - 2017: Elverta Substation T-Line Realignment (\$1.2M); Elverta-Hurley overhead ground wires (\$1.2M)
 - 2018: Assumed no plant additions.
 - 2019: Cottonwood-Olinda Reconductoring (\$9.7M)
 - 2020: Cottonwood-Olinda Substation Upgrades (\$3.8M); 230-kV Shunt Reactor (\$12M); Substation Service Replacements at 8 subs (\$3.9M); Keswick T-Line Realignment (900k)
3. Interest on plant additions assumed at 3%.
4. Estimated depreciable asset life of additions is 15-50 years, depending upon asset type.
5. Forecast beyond 2019 assumes existing formula rate.