

UNITED STATES DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION  
ROCKY MOUNTAIN REGION  
Loveland Area Projects

**OPERATING RESERVE - SPINNING RESERVE SERVICE**

**Applicable**

Spinning Reserve Service (Reserves) is needed to serve load immediately in the event of a system contingency. Reserves may be provided by generating units that are on-line and loaded at less than maximum output. The Customers (Loveland Area Projects Transmission Customers and customers on others' transmission system within Western Area Colorado Missouri Balancing Authority (WACM)) must either purchase this service from WACM or make alternative comparable arrangements to satisfy their Reserve obligations. The charges for Reserves are shown below. The amount of Reserves will be outlined in the service agreement.

**Effective**

The first day of the first full billing period beginning on or after March 1, 2004, through February 28, 2011.

**Formula Rate**

No long-term Reserves are available beyond internal WACM requirements. At a Customer's request, Western may purchase Reserves and pass through that cost, plus an amount for administration. Additionally, the Customer would be responsible for providing the transmission to deliver the Reserves.