

<b>Western's Central Valley Project Facility Assignment - Changes from May 2004 Rate Brochure to September 30, 2008 and Projected Changes Based on currently Funded Projects</b>							
		<b>Transmission Lines</b>					
		<b>Rate Brochure May 2004</b>	<b>As of September 30, 2008</b>				
<b>Line No.</b>	<b>Facility Name/Description</b>	<b>Transmission Percentage</b>	<b>Non-tranmission</b>	<b>Transmission Percentage</b>	<b>Non-tranmission</b>	<b>Functional Use</b>	<b>Notes/Changes from May 2004 Rate Brochure</b>
1	Carr-Keswick	0%	100%	0%	100%	Gen tie	No Change.
2	Carr-Keswick No. 1	0%	100%	0%	100%	Gen tie	No Change.
3	Carr-Keswick No. 2	0%	100%	0%	100%	Gen tie	No Change.
4	Cottonwood-Elverta No. 2 (now ODA-OBN-ELV)	100%	0%	100%	0%	Network	No Change.
5	Cottonwood-Elverta No. 3 (now CW-RSC)	100%	0%	100%	0%	Network	No Change.
6	Cottonwood-Roseville	100%	0%	100%	0%	Network	No Change.
7	Elverta-Tracy 230 KV No. 1	100%	0%	100%	0%	Network	No Change.
8	Elverta-Tracy 230 KV No. 2	100%	0%	100%	0%	Network	No Change.
9	Folsom-Elverta (FOL-ROS-EVL)	0%	100%	0%	100%	Network	When Folsom Loop recorded in F/S, facility assignment will change to 100% transmission. ELV added to parenthetical reference.
10	Folsom-Nimbus	0%	100%	0%	100%	Gen tie	No Change.
11	Friant Dam & Camp - PG&E Line Tap	0%	100%	0%	100%	Gen tie	No Change.
12	Keswick-Cottonwood No.2 (now CW-ODA)	100%	0%	100%	0%	Network	No Change.
13	Keswick-Cottonwood No. 3	100%	0%	100%	0%	Network	No Change.
14	Keswick-Elverta	100%	0%	100%	0%	Network	No Change.
15	Tracy-Livermore -- 230 KV Line	100%	0%	100%	0%	Network	No Change.
16	Keswick-Olinda No 2	100%	0%	100%	0%	Network	No Change.
17	Keswick-Olinda	N/A	N/A	100%	0%	Network	Installation of fiber optic on KE-ODA line. In service date May 2004. All costs assigned to transmission.
18	Roseville-Elverta No. 2	100%	0%	100%	0%	Network	No Change.
19	Round Mountain-Cottonwood	100%	0%	100%	0%	Network	No Change.
20	Spring Creek-Keswick	0%	100%	0%	100%	Gen tie	No Change.
21	Shasta-Cottonwood No. 2	0%	100%	0%	100%	Network	When Shasta DB/DB recorded in Western's F/S, facility assignment will change to 100% transmission.
22	Shasta-Keswick 230 KV	100%	0%	100%	0%	Network	No Change.
23	Shasta-Tracy	100%	0%	100%	0%	Network	No Change.
24	Trinity-Carr	0%	100%	0%	100%	Gen tie	No Change.
25	Tracy-Lawrence Livermore	100%	0%	100%	0%	Network	No Change.

26	Tracy-Ygnacio	0%	100%	0%	100%	Radial line	No Change.
27	Tracy-Contra Costa (formerly TRY-YG)	N/A	N/A	0%	100%	Radial line	The portion from Contra Costa to Ygnacio (69 kV) was removed; hence the name change. Replacements in FY 2006 and costs related to removing of line from Contra Costa to Ygnacio. Facility assignment same as Tracy-Ygnacio. Formerly TRY-YG added to parenthetical.
28	Tracy-Banks	100%	0%	100%	0%	Network	No Change.
<b>Switchyards and Substations</b>							
		<b>Rate Brochure May 2004</b>		<b>As of September 30, 2008</b>			
Line No.	Facility Name/Description	Transmission Percentage	Non-tranmission	Transmission Percentage	Non-tranmission	Functional Use	Notes/Changes from May 2004 Rate Brochure
29	Airport	100%	0%	100%	0%	Network	No Change.
30	J.F. Carr Sub	0%	100%	0%	100%	Gen	No Change.
31	Coyote Sub	0%	100%	0%	100%	Off-system/Load	No Change.
32	Central Valley Sub (Shasta PUD)	100%	0%	100%	0%	Network	No Change.
33	Cottonwood Substation	100%	0%	100%	0%	Network	No Change.
34	Elverta Substation	100%	0%	100%	0%	Network	No Change.
35	Flanagan Substation	100%	0%	100%	0%	Network	No Change.
36	Fiddymt	100%	0%	100%	0%	Network	No Change.
37	Folsom	0%	100%	0%	100%	Network	When Folsom Loop recorded in F/S, facility assignment will be split between tx and nontx. Original costs remain assigned to nontx; new costs will be added to transmission.
38	Keswick Sub - 230kV	57%	43%	57%	43%	Gen/Network	Based on review of breakers functional use, ratios should be reversed. Rate impact based rate effective April 1, 2009 rate model, is a \$.02 decrease to firm point-to-point rate. Change during next rate update.
39	Keswick Sub - 115kV	0%	100%	0%	100%	Gen	No Change.
40	Knauf Substation	100%	0%	100%	0%	Network	No Change.
41	Lewiston Sub	0%	100%	0%	100%	Gen	No Change.
42	Lawrence Livermore Labs	100%	0%	100%	0%	Network	No Change.
43	Nimbus Sub	N/A	N/A	0%	100%	Gen	Line relay replacement in 2006, plus change to circuitry. Assignment is 100% nontransmission.
44	New Melones	0%	100%	0%	100%	Gen	No Change.
45	Obanion Sub	N/A	N/A	100%	0%	Network	Contributed plant. Communications equipment added in January 2008.

46	Olinda 500 kV Sub	N/A	N/A	100%	0%	Network	Ten separate projects went into service between 1999-2007. Cost incurred by Western is \$673K. TANC also has costs on their books.
47	Olinda 230kV sub.	100%	0%	100%	0%	Network	No Change.
48	Pacheco Sub	0%	100%	0%	100%	Off-system/Load	No Change.
49	Roseville	0%	100%	0%	100%	Network	Assignment should be 100% transmission. Rate impact based on \$.92 G&T (April 1, 2009 rate), was a \$.01 increase to firm point-to-point rate. Change during next rate update.
50	Shasta	33%	67%	33%	67%	Network	When Shasta DB/DB is recorded in Western's F/S, facility assignment will be updated. Original cost will remain as assigned; additional cost (est. \$6.6 mill.) will be assigned to transmission.
51	San Luis Unit	0%	100%	0%	100%	Off-system Load/Gen	No Change.
52	Trinity Interconnect Substation	N/A	N/A	0%	100%	Gen	Placed in service in December 2007.
53	Tracy Sub- 230kV	100%	0%	100%	0%	Network	No Change.
54	Tracy Sub - 69kV	0%	100%	0%	100%	Radial	No Change.
55	Whiskeytown	0%	100%	0%	100%	Gen	No Change.
56	Wintu P.P. SWYD	0%	100%	0%	100%	Off-system/Load	No Change.
57	Ygnacio P.P. SWYD	0%	100%	0%	100%	Off-system/Load	No Change.
<b>Miscellaneous Facilities</b>							
		<b>Rate Brochure May 2004</b>		<b>As of September 30, 2008</b>			
<b>Line No.</b>	<b>Facility Name/Description</b>	<b>Transmission Percentage</b>	<b>Non-tranmission</b>	<b>Transmission Percentage</b>	<b>Non-tranmission</b>	<b>Functional Use</b>	<b>Notes/Changes from May 2004 Rate Brochure</b>
<b>Service and Maintenance Centers</b>							
58	Elverta Maintenance Facility	71%	29%	74%	26%	N/A	Percentage changed; 3% increase to transmission. Houses capital intensive equipment for transmission lines.
59	Redding Maintenance Facility	68%	32%	59%	41%	N/A	Percentage changed; 11% decrease from transmission.
60	Tracy Maintenance Facility	30%	70%	25%	75%	N/A	Percentage changed; 5% decrease from transmission. Tracy has no equipment or line crew; therefore higher percentage to nontransmission.
61	Non-Facility	N/A	N/A	50%	50%	N/A	New. SMUD fiber optics equipment and replacment of VHF radio system. Allocated based on total facility cost split between tx and nontx.
62	SCADA	N/A	N/A	50%	50%	N/A	Allocated based on facility assignment.
<b>Operation Centers</b>							

63	Sacramento Dispatch Office	57%	43%	50%	50%	N/A	Allocated based on facility assignment.
64	Sacramento Energy Center	57%	43%	50%	50%	N/A	Allocated based on facility assignment.
65	Sacramento Area Operations Center	57%	43%	50%	50%	N/A	Allocated based on facility assignment.
<b>Mobile Equipment</b>							
66	Mobile Transformer -- Sacramento	57%	43%	50%	50%	N/A	Allocated based on facility assignment.
67	Mobile Transformer - Sub 5MVA	100%	0%	50%	50%	N/A	Allocated based on facility assignment. 2/
<b>Communication Facilities</b>							
68	Mt. Oso (LBR) (Microwave)	90%	10%	90%	10%	N/A	No Change.
69	Elverta Microwave Building	90%	10%	90%	10%	N/A	No Change.
70	Grapevine Pass (Microwave)	90%	10%	90%	10%	N/A	No Change.
71	Happy Camp	N/A	N/A	90%	10%	N/A	New; same assignment as other comm. facilities.
72	Mt. Oso (TANC)	N/A	N/A	90%	10%	N/A	New; same assignment as other comm. facilities.
73	Maxwell Series Compensation	N/A	N/A	90%	10%	N/A	New; same assignment as other comm. facilities.
74	Sacramento (Microwave)	90%	10%	90%	10%	N/A	No Change.
75	Tracy 500kV (Fixed Radio equipment )	N/A	N/A	90%	10%	N/A	New; same assignment as other comm. facilities.
76	Southfork Mountain (Microwave)	90%	10%	90%	10%	N/A	No Change.
77	<b>Metering Equipment 1/</b>	0%	100%	0%	100%	N/A	No Change.
78	<b>Reclamation Plant</b>	0%	100%	0%	100%	N/A	No Change. All assigned to nontransmission.
Note: Highlighted lines indicate a change to facilities since May 2004 rate brochure; change could be a new asset or percentage change.							
N/A means the asset did not exist as of May 2004 rate brochure.							
1/ As meters are replaced, costs will be expensed. Also, Western will be transferring metering equipment for 11 cities to NCPA.							
2/ During the June 25, 2009, rate meeting, we noted costs were not allocating 50% transmission and 50% nontransmission. Upon review, we learned costs were erroneously assigned 100% transmission during the May 2004 Rate Brochure review; however, the mobile equipment in question was identified as one unit; therefore all costs should be assigned in a similar manner. Total costs shift from transmission to nontransmission is \$53,503, and change is not rate impacting. Transmission percentage change is a slight decrease from 49.76% to 49.74%.							

## Summary of Costs by Type of Facility

Western's Facility Assignment as of September 30, 2008				
Type of Facility	Amount in \$		Percentage of Total Plant	
	Transmission	Nontransmission	Transmission	Nontransmission
Transmission Lines	\$ 49,908,628	\$ 9,516,080	20%	4%
Switchyards & Substations	\$ 48,632,550	\$ 87,524,076	20%	35%
Miscellaneous Facilities				
Service & Main. Centers	\$ 5,615,998	\$ 5,099,715	2%	2%
Operation Centers	\$ 16,782,748	\$ 16,958,202	7%	7%
Mobile Equipment 1/	\$ 178,051	\$ 179,784	0%	0%
Communication	\$ 2,526,631	\$ 280,700	1%	0%
Metering Equipment	\$ -	\$ 5,396,767	0%	2%
Total	\$ 123,644,606	\$ 124,955,324	49.74%	50.26%
Grand Total	\$ 248,599,930		100%	

1/ During the June 25, 2009, rate meeting, we noted costs were not allocating 50% transmission and 50% nontransmission. Upon review, we learned costs were erroneously assigned 100% transmission during the May 2004 Rate Brochure review; however, the mobile equipment in question was identified as one unit; therefore all costs should be assigned in a similar manner. Total costs shift from transmission to nontransmission is \$53,503, and change is not rate impacting. Transmission percentage change is a slight decrease from 49.76% to 49.74%.

## Application of Ratio of Gross Plant to Transmission/Nontransmission Plant

<b>CVP Cost of Service Study as of September 30, 2008</b>			
Ratio and Costs	Transmission	Nontransmission	Total Costs
Ratio	49.76%	50.24%	100.00%
O&M	\$22,387,478	\$22,603,434	\$44,990,912
Depreciation	\$3,082,128	\$3,111,859	\$6,193,987
Cost of Capital	\$918,986	\$927,851	\$1,846,837
Transmission Annual Revenue Requirement	\$26,388,592		
Revenue Requirement Adjustments			
1/ CVP Transmission Reservation Fee and other fixed charge transmission misc. revenue	(\$225,039)		
Other costs relating to facilities associated with transmission service (Western's cost for PG&Es work on Cot Sub & Rdn Mtn-Cot Line - pending contract)	\$83,607		
Short term Point-to-Point CVP Transmission Sales	(\$276,863)		
Total CVP Transmission Revenue Requirement	\$25,970,297		

1/ Under the Central Valley Project Rate Order No. WAPA-128, costs for reactive supply and voltage control support are no longer added to transmission.