

**Rate Schedule DSW-SUR4
SCHEDULE 6 to OATT
(Supersedes Schedule DSW-SUR3)**

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

**Desert Southwest Region and
Western Area Lower Colorado Balancing Authority**

OPERATING RESERVE - SUPPLEMENTAL RESERVE SERVICE

Effective

The first day of the first full billing period beginning on or after October 1, 2016, and will remain in effect through September 30, 2021, or until superseded.

Applicable

Supplemental Reserve Service is needed to serve load in the event of a system contingency. It is not available immediately to serve load but is generally available within a short period of time after a system contingency event. This service may be provided by generating units that are on-line but unloaded, by quick-start generation, or by interruptible load. The Transmission Service Provider (TSP) or the Balancing Authority (BA) who performs this function for the TSP must offer this service when transmission is used to serve load within its BA Area.

The Western Area Lower Colorado Balancing Authority (WALC) performs this function for the Federal TSP. Customers of a Federal TSP must purchase this service from WALC or make alternative arrangements to satisfy their Supplemental Reserve obligations.

Formula Rate

$$\boxed{\text{Cost of Service} = \text{Market Price} + \text{Administrative Fee}}$$

WALC has no Supplemental Reserves for sale. Upon request, WALC will purchase at market price and pass-through the cost plus an administrative fee that covers the cost of procuring and supplying Supplemental Reserves. The customer will be responsible for providing the transmission needed to deliver.