

ASSUMPTIONS USED TO DETERMINE FIRM TRANSMISSION SERVICE CAPACITY RESERVATIONS FOR FISCAL YEARS 2005-2009

PARKER-DAVIS PROJECT

- AK-CHIN; 87-BCA-10000; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Arizona Electric Power Cooperative; 03-DSR-11153; terminates 12/31/08
Extended existing 40,000 kW capacity reservation from 1/09 to 9/09
- Arizona Power Pooling Association-AEPCO; 87-BCA-10085; terminates 9/30/08
Extended existing 21,550 kW capacity reservation from 10/08 to 9/09
- Arizona Power Pooling Association-Mesa; 87-BCA-10085; terminates 9/30/08
Extended existing 9,429 kW capacity reservation from 10/08 to 9/09
- Arizona Power Pooling Association-ED-2; 87-BCA-10001; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Arizona Power Pooling Association-ED-2; 87-BCA-10135; terminates 9/30/08
Extended existing 32,000 kW capacity reservation from 10/08 to 9/09
- Arizona Power Pooling Association-Mesa; 87-BCA-10135; terminates 9/30/08
Extended existing 121,440 kW capacity reservation from 10/08 to 9/09
- Arizona Power Pooling Association-SWTC; 87-BCA-10135; terminates 9/30/08
Extended existing 199,400 kW capacity reservation from 10/08 to 9/09
- Aha Macav; 93-PAO-10529; terminates 9/30/08
Extended existing 10,000 kW capacity reservation from 10/08 to 9/09
- Arizona Public Service; DE-MS65-85WP39510; terminates 9/30/08
Extended existing typical 126,086 kW reservation from 10/08 to 9/09
- Colorado River Agency; 87-BCA-10003; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Colorado River Agency; 87-BCA-10087; terminates 9/30/08
Extended existing 7,667 kW capacity reservation from 10/08 to 9/09
- Colorado River Commission; 87-BCA-10004; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Colorado River Commission; 87-BCA-10086; terminates 9/30/08
Extended existing 50,308 kW capacity reservation from 10/08 to 9/09
- Edwards AFB; 87-BCA-10088; terminates 9/30/08
Extended existing 16,762 kW capacity reservation from 10/08 to 9/09
- Electrical District 3; 87-BCA-10089; terminates 9/30/08
Extended existing 2,208 kW capacity reservation from 10/08 to 9/09
- Electrical District 3; 87-BCA-10090; terminates 9/30/08
Extended existing 2,588 kW capacity reservation from 10/08 to 9/09
- Electrical District 3; 87-BCA-10005; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Electrical District 4; 87-BCA-10006; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Electrical District 5; 87-BCA-10008; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Electrical District 7; 87-BCA-10010; terminates 9/30/24
Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
- Fort Mojave Indian Tribe; 87-BCA-10091, terminates 9/30/08
Extended existing 1,649 kW capacity reservation from 10/08 to 9/09
- Fredonia, AZ; 87-BCA-10092, terminates 9/30/08
Extended existing 1,479 kW capacity reservation from 10/08 to 9/09

NOTE: These assumptions were used for Rate Design Methodology purposes only and do not imply that these specific contractors will elect to continue Firm Transmission Service. If not, this capacity will be marketed/sold as these specific contracts terminate.

Gila Bend Aux; 87-BCA-10094, terminates 9/30/08
 Extended existing 394 kW capacity reservation from 10/08 to 9/09

Imperial Irrigation District; 90-PAO-10337; terminates 12/31/04
 Extended existing 160,000 kW capacity reservation from 1/05 to 9/09

Imperial Irrigation District; 87-BCA-10095, terminates 9/30/08
 Extended existing 29,946 kW capacity reservation from 10/08 to 9/09

Luke AFB; 87-BCA-10096, terminates 9/30/08
 Extended existing 2,230 kW capacity reservation from 10/08 to 9/09

March AFB; 92-PAO-10469, terminates 9/30/08
 Extended existing 4,380 kW capacity reservation from 10/08 to 9/09

Marine Corps Air Station Yuma; 87-BCA-10097, terminates 9/30/08
 Extended existing 2,006 kW capacity reservation from 10/08 to 9/09

Maricopa Cty Muni Water Con District 1; 87-BCA-10011; terminates 9/30/24
 Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

Needles, CA; 87-BCA-10098, terminates 9/30/08
 Extended existing 4,668 kW capacity reservation from 10/08 to 9/09

Nellis AFB; 87-BCA-10099, terminates 9/30/08
 Extended existing 2,780 kW capacity reservation from 10/08 to 9/09

Nevada Operations Office for the Test Site; 87-BCA-10100, terminates 9/30/08
 Extended existing 2,217 kW capacity reservation from 10/08 to 9/09

Safford, AZ; 87-BCA-10016; terminates 9/30/24
 Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

Salt River Project; 87-BCA-10103, terminates 9/30/08
 Extended existing 27,867 kW capacity reservation from 10/08 to 9/09

San Carlos Irrigation Project; 87-BCA-10018; terminates 9/30/24
 Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

San Carlos Irrigation Project; 87-BCA-10104; terminates 9/30/08
 Extended existing 15,496 capacity reservation from 10/08 to 9/09

San Carlos Irrigation Project; 87-BCA-10127; terminates 9/30/08
 Extended existing 78,000 capacity reservation from 10/08 to 9/09

Southern California Edison; 95-PAO-10656; terminates 8/31/04
 Extended existing 9,000 kW capacity reservation from 9/04 to 9/09

Sundance Energy; 01-DSR-11119; terminates 5/31/07
 Extended existing 320,000 kW capacity reservation from 6/07 to 9/09

Thatcher, AZ; 87-BCA-10105, terminates 9/30/08
 Extended existing 308 kW capacity reservation from 10/08 to 9/09

Thatcher, AZ; 87-BCA-10020; terminates 9/30/24
 Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

Tohona O'odha; 87-BCA-10102, terminates 9/30/08
 Extended existing 2,665 kW capacity reservation from 10/08 to 9/09

UNS Electric; 87-BCA-10140; terminates 5/31/08
 Extended existing 314,487 kW capacity reservation from 6/08 to 9/09

Wellton-Mohawk Irrigation Drainage District; 87-BCA-10021; terminates 9/30/24
 Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

Wellton-Mohawk Irrigation Drainage District; 87-BCA-10142; terminates 9/30/08
 Extended existing 13,000 kW capacity reservation from 10/08 to 9/09

Wellton-Mohawk Irrigation Drainage District; 87-BCA-10106, terminates 9/30/08
 Extended existing 2,827 kW capacity reservation from 10/08 to 9/09

Wellton-Mohawk Irrigation Drainage District; 96-DSR-10715, terminates 9/30/08
 Extended existing 33,066 kW capacity reservation from 10/08 to 9/09

Wickenburg, AZ; 87-BCA-10107, terminates 9/30/08
 Extended existing 1,709 kW capacity reservation from 10/08 to 9/09

Yuma County Water Users' Association; 96-DSR-10715, terminates 9/30/08
 Extended existing 4,237 kW capacity reservation from 10/08 to 9/09

Yuma Irrigation District; 87-BCA-10108, terminates 9/30/08
 Extended existing 885 kW capacity reservation from 10/08 to 9/09

Yuma Proving Ground; 87-BCA-10023; terminates 9/30/24

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Increased existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
Yuma Proving Ground; 87-BCA-10109, terminates 9/30/08
Extended existing 4,754 kW capacity reservation from 10/08 to 9/09

INTERTIE PROJECT

230/345-kV Transmission System:

Arizona Power Authority; DE-MS65-85WP39502; terminates 9/30/17
Reduced existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
Arizona Electric Power Cooperative; 03-DSR-11153; terminates 12/31/08
Extended existing 40,000 kW capacity reservation from 1/09 to 9/09
AJO Improvement Company; 96-DSR-10749; terminates 1/1/07
Extended existing 2,910 kW capacity reservation from 1/07 to 9/09
Arizona Power Pooling Association-Mesa; 87-BCA-10135; terminates 9/30/08
Extended existing 47,000 kW capacity reservation from 10/08 to 9/09
Arizona Power Pooling Association-SWTC; 87-BCA-10135; terminates 9/30/08
Extended existing 75,248 kW capacity reservation from 10/08 to 9/09
Central Arizona Water Conservation District; 93-PAO-10537; terminates 9/30/11
Reduced existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor
Imperial Irrigation District; 90-PAO-10337; terminates 12/31/04
Extended existing 123,750 kW capacity reservation from 1/05 to 9/09
US Bureau of Reclamation; 87-BCA-10047, terminates 9/30/21
Reduced existing capacity reservation by 1% for change in Parker-Davis loss adjustment factor

500-kV Transmission System:

POWEREX and/or New Contractor(s); 01-DSR-11108; terminates 1/1/05
Extended existing 100,000 kW capacity reservation from 1/05 to 9/09
Sierra Pacific Resources and/or New; 03-DSR-11150; terminates 1/31/05
Extended existing 52,000 kW capacity reservation from 2/05 to 9/09
New Firm Transmission Service Sales; Intertie 500-kV phase-in period
10/04 to 9/05 - 198,000 kW; 10/05 to 9/06 - 298,000 kW;
10/06 to 9/07 - 398,000 kW; 10/07 to 9/08 - 398,000 kW;
10/08 to 9/19 - 398,000 kW

CENTRAL ARIZONA PROJECT

Arizona Public Service; 02-DSR-11143; terminates 8/31/07
Extended existing 35,000 kW capacity reservation from 9/07 to 9/09
UNS Electric; 87-BCA-10140; terminates 2/28/08
Extended existing 106,536 kW capacity reservation from 3/08 to 9/09

MULTI-SYSTEM

New Firm Transmission Service Sales resulting from the additional capacity made available by implementing a Multi-System Transmission Service Rate: 78,000 kW

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