

Rate Schedule CAP-NITS2
Supersedes Rate Schedule CAP-NITS1

UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

CENTRAL ARIZONA PROJECT

**SCHEDULE OF RATE(S) FOR NETWORK INTEGRATION TRANSMISSION
SERVICE**

Effective:

The first day of the first full billing period beginning on or after January 1, 2006, through December 31, 2010. [Note: This rate schedule was extended by Rate Order No. WAPA-158 through December 31, 2015]

Applicable:

The transmission customer shall compensate the CAP each month for Network Integration Transmission Service (NITS) pursuant to the applicable Network Integration Transmission Service Agreement and annual revenue requirement referred to below. The formula for the annual revenue requirement used to calculate the charges for this service under this schedule was promulgated and may be modified pursuant to applicable Federal laws, regulations, and policies.

The Desert Southwest Region (DSW) may modify the charges for NITS upon written notice to the transmission customer. DSW shall charge the transmission customer in accordance with the revenue requirement then in effect.

Formula Rate:

Monthly Charge = Transmission Customer's Load-Ratio Share x
(Revenue Requirement /12)

Calculated Rate:

The NITS rate is calculated using a projected annual revenue requirement. Based on updated financial and load data, a recalculated revenue requirement will go into effect on January 1 of each year during the effective rate schedule period.