

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION
DESERT SOUTHWEST REGION
Pacific Northwest-Pacific Southwest Intertie Project**

**LONG-TERM AND SHORT-TERM FIRM POINT-TO-POINT
TRANSMISSION SERVICE**

Effective:

The first day of the first full billing period beginning on or after May 1, 2013, and will remain in effect through April 30, 2018, or until superseded by another rate schedule.

Applicable:

To firm point-to-point transmission service customers where capacity and energy are supplied to the Pacific Northwest-Pacific Southwest Intertie Project (Intertie) transmission system at points of interconnection with other systems and transmitted and delivered, less losses, to points of delivery on the Intertie transmission system.

Long-Term Rate:

For transmission service of one year or longer, the rate is \$19.32 for each kilowatt (kW) per year, payable monthly at the rate of \$1.61 for each kW per month.

Short-Term Rates:

For transmission service up to one year, the maximum rate for each kW is as follows:

Monthly: \$1.61
Weekly: \$0.3715
Daily: \$0.0529
Hourly: 2.21 mills

Discounts may be offered from time-to-time in accordance with Western's Open Access Transmission Tariff (OATT).

Billing:

Western will bill firm point-to-point transmission service customers monthly by applying the rates listed above to the amount of capacity reserved. Payment for long-term transmission service will be required one month in advance of said service.

Character and Conditions of Service:

Alternating current at 60 hertz, three-phase, delivered and metered at the voltages and points of delivery established by the service agreement or contract.

Adjustments for Reactive Power:

There shall be no entitlement to transfer of reactive kilovolt-amperes at delivery points, except when such transfers may be mutually agreed upon by the customer and Western or their authorized representatives.

Adjustments for Losses:

Capacity and energy losses incurred in connection with the transmission and delivery of capacity and energy under this rate schedule shall be supplied by the customer in accordance with the service agreement or contract. If losses are not fully provided by a customer, charges for financial compensation may apply.

Unreserved Use:

Western will assess a charge for any unreserved use of the transmission system. Unreserved use occurs when a customer uses transmission service that it has not reserved or uses

Rate Schedule INT-FT5
(Supersedes Rate Schedule INT-FT4)

transmission service in excess of its reserved capacity. Unreserved use may also include a customer's failure to curtail transmission when requested.

The charge for unreserved use is two times the maximum allowable rate for the service at issue, assessed as follows: The penalty for a single hour of unreserved use is based on the daily short-term rate. The penalty for more than one assessment of unreserved use for any given duration (e.g., daily) increases to next longest duration (e.g., weekly). The penalty for multiple instances of unreserved use (e.g., more than one hour) within a day is based on the daily short-term rate. The penalty for multiple instances of unreserved use isolated to one calendar week is based on the weekly short-term rate. The penalty for multiple instances of unreserved use during more than one week in a calendar month is based on the monthly short-term rate.

A customer that exceeds its reserved capacity at any point of receipt or point of delivery, or a customer that uses transmission service at a point of receipt or point of delivery that it has not reserved, is required to pay for all ancillary services that were provided by the Western Area Lower Colorado (WALC) Balancing Authority and associated with the unreserved use. The customer will pay for ancillary services based on the amount of transmission service used and not reserved.