

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

CENTRAL VALLEY PROJECT

**SCHEDULE OF RATE FOR ENERGY IMBALANCE MARKET
ENERGY IMBALANCE SERVICE**

Effective:

April 1, 2021, through December 31, 2024.

Available:

Within the marketing area served by the Western Area Power Administration (WAPA), Sierra Nevada Customer Service Region (SN).

Applicable:

To WAPA-SN customers participating in the California ISO (CAISO) Energy Imbalance Market (EIM) and receiving Energy Imbalance (EI) Service, when EIM has not been suspended.

Character and Conditions of Service:

EI Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within the WAPA-SN Sub-Balancing Authority Area (Sub-BAA). WAPA-SN offers this service when transmission service is used to serve load within the WAPA-SN Sub-BAA.

Unless subsequently imposed by CAISO as the Market Operator (MO) as part of the MO Tariff and promulgated by WAPA through rate proceedings, there shall be no incremental transmission charge assessed for transmission use related to the EIM. Transmission Customers must have transmission service rights, as set forth in Attachment S of WAPA's Tariff.

Formula Rate:

The formula rate for EI Service includes three components:

Component 1:

EI Service is the deviation of the Transmission Customer's metered load compared to the load component of the Base Schedule settled as Uninstructed Imbalance Energy (UIE) for the period of the deviation at the applicable Load Aggregation Point (LAP) price where the load is located.

Unless such charges are allocated to the Transmission Customer directly by Balancing Authority of Northern California (BANC) as the EIM Entity, a Transmission Customer shall be responsible for any pass-through charges/credits associated with applicable EI Service charges allocated to WAPA-SN, as Transmission Provider, for its participation in the EIM, in accordance with this rate schedule. WAPA-SN will sub-allocate load charges based on a Transmission Customer's load ratio share.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by the Federal Energy Regulatory Commission (FERC) or other regulatory bodies will be passed on to each relevant customer. The FERC's or other regulatory bodies' accepted or approved charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through directly to the relevant customer FERC's or other regulatory bodies' accepted or approved charges or credits in the same manner WAPA-SN is charged or credited. If FERC's or other regulatory bodies' accepted or approved charges or credits cannot be passed through directly to

the relevant customer in the same manner WAPA-SN is charged or credited, the charges or credits will be passed through using Component 1 of the formula rate.

Component 3:

Any charges or credits from the Host Balancing Authority (HBA) applied to WAPA-SN for providing this service will be passed through directly to the relevant customer in the same manner WAPA-SN is charged or credited to the extent possible. If the HBA's charges or credits cannot be passed through to the relevant customer in the same manner WAPA-SN is charged or credited, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing will occur monthly.

Adjustment for Audit Adjustments:

Financial audit adjustments that apply to the formula rate under this rate schedule will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.