

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION
ROCKY MOUNTAIN REGION
Western Area Colorado Missouri Balancing Authority**

TRANSMISSION LOSSES SERVICE

Applicable

The Western Area Colorado Missouri Balancing Authority (WACM) provides Transmission Losses Service to all Transmission Service Providers who market transmission inside WACM. The loss factor currently in effect is posted on the Rocky Mountain Region (RMR) Open Access Same-Time Information System (OASIS) web site.

Effective

The first day of the first full billing period beginning on or after October 1, 2011, through September 30, 2016.

Formula Rate

Transmission Losses are assessed for all real-time and prescheduled transactions on transmission facilities inside WACM. The Customer is allowed the option of energy repayment or financial repayment. Energy repayment may be either concurrently or seven days later, to be delivered using the same profile as the related transmission transaction. Customers must declare annually their preferred methodology of energy payback.

When a transmission loss energy obligation is not provided (or is under-provided) by a Customer for a transmission transaction, the energy still owed for Transmission Losses is calculated and a charge is assessed to the Customer, based on the WACM weighted average hourly purchase price.

**Rate Schedule L-AS7
October 1, 2011**

Pricing for loss energy due 7 days later, and not received by WACM, will be priced at the 7-day-later-price based on the WACM weighted average hourly purchase price.

There will be no financial compensation or energy return to Customers for over-delivery of Transmission Losses, as there should be no condition beyond the control of the Customer that results in overpayment.

Rate

This loss factor, as posted on the RMR OASIS, is in effect October 1, 2011, through September 30, 2012. Customers may settle financially or with energy. The pricing for this service will be the WACM weighted average hourly purchase price. When no hourly data is available, pricing defaults will be applied in the following order:

1. Weighted average purchase pricing for the day (on- and off-peak).
2. Weighted average purchase pricing for the current month (on- and off-peak).
3. Weighted average purchase pricing for the prior month (on- and off-peak).
4. Weighted average purchase pricing for the month prior to the prior month (and continuing until or purchase pricing is located) (on- and off-peak).

Any change to the rate for Transmission Losses Service will be listed in a revision to this rate schedule issued under applicable Federal laws, regulations, and policies and made part of the applicable service agreement.