

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION
ROCKY MOUNTAIN REGION
Loveland Area Projects**

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

Applicable

The Transmission Customer shall compensate the Loveland Area Projects (LAP) each month for Reserved Capacity under the applicable Firm Point-to-Point Transmission Service Agreement and the rate outlined herein.

Discounts

Three principal requirements apply to discounts for transmission service as follows:

(1) any offer of a discount made by LAP must be announced to all eligible customers solely by posting on the Rocky Mountain Region's Open Access Same-Time Information System web site (OASIS); (2) any customer-initiated requests for discounts, including requests for use by the LAP merchant, must occur solely by posting on the OASIS; and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, LAP must offer the same discounted transmission service rate for the same time period to all eligible customers on all unconstrained transmission paths that go to the same point(s) of delivery on the transmission system.

**Rate Schedule L-FPT1
SCHEDULE 7 to Tariff
October 1, 2011**

Effective

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

Formula Rate

$$\begin{array}{rcl} \text{Firm} & & \text{Annual Transmission Revenue Requirement} \\ \text{Point-to-Point} & = & \text{-----} \\ \text{Transmission Rate} & & \text{LAP Transmission System Total Load} \end{array}$$

Rate

The rate to be in effect October 1, 2011, through September 30, 2012, is:

	<u>Maximum of:</u>
Yearly:	\$41.80/kW of reserved capacity per year
Monthly:	\$ 3.48/kW of reserved capacity per month
Weekly:	\$ 0.80/kW of reserved capacity per week
Daily:	\$ 0.11/kW of reserved capacity per day

A revised rate will go into effect October 1 of each year of the effective rate period based on the formula above, updated financial and load projections, and the true-up of previous projections.

Western will notify the Transmission Customer annually of the revised rate before October 1.

Any change to the rate for Long-Term Firm and Short-Term Firm Transmission 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.