

# Power Revenue Requirement (PRR)

FY 2007 PU True Up Information

Request from the Oct 7, 2008 Informal Rates Customer Meeting

Presented  
Action Item 14.5  
Presented by Melinda Grow

	Allocation of Off-setting FY 07 Project Use Revenue	Summation of numbers to get to "column D"
		\$1,129,930
		\$2,232,686
<b>O&amp;M Expense: /1</b>		\$1,347,290
Reclamation	-\$6,775,922	\$2,066,016
Western	-\$9,722,444	\$6,775,922
<b>Total O&amp;M Expense</b>	<b>-\$16,498,366</b>	
<b>Purchase Power Expense:</b>		\$7,560,683
Custom Product and Supplemental Power /6		\$94,781
Host Balancing Authority Costs /2	-\$168,353	\$0
Purchases for Project Use customers (50 MW LLH - Oct thru Mar) /7	-\$345,806	\$88,673
Washoe Cost for BR		\$1,530,400
<b>Total Purchase Power Expense/Revenue</b>	<b>-\$514,160</b>	\$234,575
		\$213,332
<b>Interest Expense: /3</b>		\$9,722,444
<b>Total Interest Expense</b>		
<b>Other Expenses: /8</b>	-\$22,685	Nimbus FH & Gen Deviations
COTP 27 MW (TANC Lease)		\$3,336
WECC dues		\$19,349
COI Path Operator Cost (PACI and COTP)		\$22,685
Trinity Assessment		
CIRS PG&E Facility Charge (exp)		
DOE's expenses associated with COTP O&M - CASH CALL.		
CAISO Market & GMC Charges for New Melones Pseudo-Tie (WNML)		
<b>Total Other Expenses</b>	<b>-\$22,685</b>	
<b>Project Power Repayment (Expense): /4</b>		
<b>Total Project Repayment</b>		
<b>Other Pass-through Expenses &amp; Revenues:</b>		
CAISO Expenses & Revenues /9	-\$381,091	GMC & FERC Fees (WPUL/WSLW)
<b>Non-Pass through CAISO expenses and revenues:</b>		\$366,555
WSNR		\$14,536
WNML (currently included in other expenses)		\$381,091
<b>Sub-total CAISO charges</b>		
<b>Pass-through CAISO expenses and revenues:</b>		
WFLS, WMKT, WNAS, WDOE, WTRN, WPAC		
<b>CAISO charges paid for out of credits (not included in PRR)</b>		
WPUL \$569,927		
WSLW (2207A) \$1,886,037		
<b>Total CAISO charges</b>		
Costs incurred for Wheeling (PG&E and CAISO)	-\$1,466,960	WDT, 2207A, TAC & Pwr Rights
PATH 15 revenues and expenses		\$1,228
Purchases and Sales for SBA. Energy purchases to balance the SBA. Changes after DA schedules are submitted /10		\$665,401
Resource Adequacy /11	-\$8,288	\$3,557
<b>Total Other Pass-through Expense/Revenue</b>	<b>-\$1,856,338</b>	\$662,621
		\$53,060
<b>Other Revenues:</b>		\$81,091
Non-firm energy sales		\$1,466,960
<b>Miscellaneous Revenues /12</b>		
CVP point-to-point transmission (Long-term)		
CVP transmission - short term		
CVP Network Integrated Transmission Service		
PACI transmission		
COTP transmission		
WECC dues		
Late Payments		
City of Shasta Lake Transmission Reservation Fee		
Facility Use Charge: Lawrence Livermore National Lab Fixed Charge		
Mountain House Facility Use (MID)		
CIRS PG&E Facility Charge (DOE's share reimbursed to Western)		
maintenance on Tracy-Herdlyn line		
Facility Use Charge: Contra Costa Water District		
O&M - CASH CALL.		
Revenues from unbanking of exchange energy.		
OATT application fee		
Firm Energy Buckeye/Redding		
Whiskeytown Capacity		
<b>Total Miscellaneous Revenues</b>		

A	B	C	D	E	F	G	H	I	J
83	Scheduling Coordinator, Portfolio Management, and Variable Resource Admin Fees								
84	Ancillary Service Sales to SBA Members								
85	<b>Total Other Revenues</b>								
86									
87									
88	<b>Project Use Revenues: /13</b>								
89	<b>Total Project Use Revenues</b>								
90									
91	<b>Transmission Revenues: /5</b>								
92	<b>Total Transmission Revenues</b>								
93									
94	<b>Total Expenses &amp; Revenues</b>								
95									
96	<b>Power Revenue Requirement Summary:</b>								
97	<b>Total Expenses</b>								
98	<b>add: Project Power Repayment</b>								
99									
100	<b>less: Total Revenues</b>								
101	<b>Estimated Power Revenue Requirement (PRR)</b>								
102									
103									
104	<b>NOTES:</b>								
105									
106									
107									
108	<b>/1</b> Western's and Reclamation's O&M. Both agencies' budgets are adjusted for unfunded benefits.								
109	<b>/2</b> Estimated Host Balancing Authority costs (HBA) associated with Western operating a Sub-balancing Authority Area (SBA). HBA costs are based on data provided by SMUD. Service provided under contract 04-SNR-00739.								
110	<b>/3</b> Interest Expense is expected to increase in the future due to future plant additions.								
111	<b>/4</b> Project Power Repayment is from the Power Repayment Study								
112	<b>/5</b> Transmission Revenues are included under Miscellaneous Revenues.								
113	<b>/6</b> Estimates for Custom Product and supplemental purchase power costs and revenues (pass-throughs) are based on actual and estimated data.								
114	<b>/7</b> Purchase power costs to meet Project Use and First Preference loads.								
115	<b>/8</b> Based on FY 08 estimated and actual information. This cost category includes such items as: Trinity Assessment, Path Operator costs for COTP and PACI, PG&E facility use charges and Western's 27MW lease on COTP (as broken out in this example).								
116	<b>/9</b> Based on actual and estimated data. The difference between revenues and expenses is generally CAISO costs associated with transaction to balance CVP generation on a daily and hourly basis.								
117	<b>/10</b> Western is estimating SBA purchases (expenses) equals sales (revenues).								
118	<b>/11</b> Projected costs associated with Resource Adequacy (RA) purchases are based on estimated data.								
119	<b>/12</b> Please note that CVP, PACI and COTP transmission revenues are included as a subset of miscellaneous revenues in compliance with Western's Standards of Conduct policies (as broken out in this example).								
120									
121									
122									
123									
124									
125									
126	<u>DOE Facility Use Charge</u> Charge associated with the delivery of DOE third party power over the California Oregon Transmission Project facilities.								
127									
128	<u>City of Shasta Lake Transmission Reservation Fee</u> A non-refundable annual reservation fee to receive a one year extension for the commencement of CVP transmission service under Section 17.7 of Western's Open Access Transmission Tariff (OATT) equal to one month's charge for Firm Transmission Service.								
129									
130	<u>Mountain House (MID) Facility Use Charge</u> Charge for the use of Western's facilities associated with the delivery of third party power based on the proportional cost of Western's operation and maintenance based on peak capacity usage of Western's Tracy Substation 230/69/13.8 kV transformers and 69-kV breaker bays.								
131									
132	<u>Contra Costa Water District Facility Use Charge</u> Charge for the use of Western's facilities associated with the delivery of third party power based on the proportional cost of Western's operation and maintenance based on peak capacity usage of Western's Tracy Substation 230/69/13.8 kV transformers and 69-kV breaker bays.								
133									
134	<u>Herdlyn (PG&amp;E) Facility Use Charge</u> Charge for the use of Western's facilities associated with the delivery of third party power based on the proportional cost of Western's operation and maintenance based on peak capacity usage of Western's Tracy Substation 230/69/13.8-kV transformers and 69-kV breaker bay.								
135									
136	<u>Firm Energy Buckeye/Redding</u> Charge for lost energy from water diverted ahead of Shasta/Keswick generation to the Buckeye Water District that services the City of Redding.								
137									
138	<u>Whiskeytown Capacity</u> Charge associated with the delivery of capacity on Western's CVP transmission system from Redding's 3-MW Whiskeytown generation unit owned by the City of Redding.								
139									
140	<b>/13</b> Project Use Revenues are estimated.								