

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

CENTRAL VALLEY PROJECT

**ENERGY IMBALANCE MARKET
ENERGY IMBALANCE SERVICE**

Effective:

October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.

Available:

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

Applicable:

This rate applies to WAPA-SN customers receiving Energy Imbalance (EI) Service when WAPA-SN, as Transmission Provider, is participating in Energy Imbalance Market (EIM) and when EIM has not been suspended. The rate applies to the extent WAPA-SN incurs EIM Administrative Service-related costs from the EIM Entity during periods of market suspension or contingency, this schedule also applies to ensure that WAPA-SN, as Transmission Provider, remains revenue-neutral for its participation in EIM.

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-BA.

Unless subsequently imposed by California Independent System Operator (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 Transmission Customer 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.

EI Service penalties are applied to deviations as follows unless otherwise dictated by contract or policy: (1) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 50-percent of the CAISO market price or 50-percent of WAPA-SN's actual cost; and (2) positive deviations (over-delivery), outside the deviation bandwidth, will be lost to the system, except for any hour when WAPA-SN incurs a cost to dispose of the energy, in which event the responsible party will bear that cost.

Deviations that occur due to actions taken to support reliability will be resolved in accordance with existing contractual requirements. Such actions include reserve activations or uncontrolled event responses as directed by the responsible reliability authority such as SBA, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

Component 2:

Any charges or credits associated with the creation, termination, or modification to any tariff, contract, or rate schedule accepted or approved by FERC or other regulatory body will be passed on to each relevant customer. The charges or credits apply to the service to which this rate methodology applies. When possible, WAPA-SN will pass through charges or credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, 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 for providing this service will be passed on to each relevant customer. When possible, WAPA-SN will pass through charges and credits directly to the customer in the same manner WAPA-SN is charged or credited. When not possible, the charges or credits will be passed through using Component 1 of the formula rate.

Billing:

Billing will occur monthly.

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.