

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

CENTRAL VALLEY PROJECT

BASE RESOURCE AND FIRST PREFERENCE POWER

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October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.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

To the Base Resource (BR) and First Preference (FP) Power Customers.

Character and Conditions of Service:

Alternating current, 60-hertz, three-phase, delivered and metered at the voltages and points established by contract. This service includes the Central Valley Project (CVP) transmission (to include reactive supply and voltage control from Federal generation sources needed to support the transmission service), spinning reserve service, and supplemental reserve service.

Formula Rate:

The formula rate includes three components.

Component 1:

Power Revenue Requirement (PRR):

WAPA-SN will develop the PRR before the start of each fiscal year (FY). The PRR will be divided into two 6-month periods, October through March, and April through September, based

on FP and BR percentages. The PRR will be reviewed in March of each year. If there is a change of \$5 million or more, the PRR will be recalculated for the entire FY. The PRR is allocated to FP Customers and BR Customers based on formula rates, as adjusted for Hourly Exchange (HE), FP true-up calculation and midyear adjustments.

FP Power Formula Rate:

The annual FP customer allocation is equal to the annual PRR multiplied by the relevant FP percentage.

$$\text{FP Revenue Requirement} = \text{PRR} \times \text{FP \%}$$

$$\text{FP Customer Percentage} = \frac{\text{FP Customer Load}}{\text{Gen} + \text{Power Purchases} - \text{Project Use}}$$

Where:

FP Customer Load = FP Customer’s forecasted annual load (MWh)

Gen = Forecasted annual CVP and Washoe generation (MWh)

Power Purchases = Power purchases for Project Use and FP loads (MWh)

Project Use = Forecasted annual Project Use loads (MWh)

WAPA-SN will develop each FP customer’s percentage before the start of each FY, and review in March every year. If there is a change of more than one-half of 1 percent, the percentage will be revised for the full FY and billing will be adjusted over the remaining 6 months.

In addition, WAPA-SN will perform a true-up each year to ensure FP Customers pay their proportionate share of the PRR. The FP customers’ percentage is limited to a percentage of the PRR. The table below shows the maximum percentages for each FP customer that will be applied to the PRR. FP percentages cannot exceed the maximum except in instances where a FP customers’ percentage increases due to load growth. If maximum percentages are exceeded for

more than one year, WAPA-SN will reevaluate and update customer maximum percentages.

FP Maximum Percentages	
FP Customer	Maximum FP Customer Percentage Applied to the PRR
Sierra Conservation Center	1.58%
Calaveras Public Power Agency	3.81%
Trinity Public Utilities District	12.01%
Tuolumne Public Power Agency	3.16%
Chicken Ranch Rancheria	0.96%
Total	21.52%

BR Formula Rate:

. The annual BR customer allocation is equal to the annual PRR multiplied by the relevant BR percentage.

$$\text{BR Customer Allocation} = (\text{PRR} \times \text{BR}\%)$$

Where:

BR% = BR percentage for each customer as indicated in the BR contract after adjustments for programs, such as HE, if applicable.

After the FP Customers' share of the annual PRR has been determined, including a prior period true-up from the FP formula rate, the remainder of the annual PRR is recovered from the BR Customers. The BR Revenue Requirement will be collected in two 6-month periods; 25% for October through March, and 75% for April through September.

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 for BR and FP power will occur monthly using the respective formula rate. Any adjustment made at midyear applies to the entire FY and is billed over the remainder of the FY.

Adjustment for Losses:



Losses will be accounted for under this rate schedule as stated in the service agreement.

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.