

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

**CENTRAL VALLEY PROJECT**

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October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.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

To customers receiving Energy Imbalance (EI) Service.

**Character and Conditions of Service:**

EI Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load within the Sub-Balancing Authority (SBA) over an hour or in accordance with approved policies and procedures. The deviation, in megawatts, is the net scheduled amount of energy minus the net metered (actual delivered) amount.

EI Service uses the deviation bandwidth that is established in the service agreement or Interconnected Operations Agreements.

**Formula Rate:**

The formula rate for EI Service includes three components:

**Component 1:**

EI Service charges are applied to deviations as follows unless otherwise dictated by contract

or policy: (1) deviations within the bandwidth will be tracked and settled financially, at the greater of the California Independent System Operator (CAISO) market price, or WAPA-SN's actual cost; (2) negative deviations (under-delivery), outside the deviation bandwidth, will be charged the greater of 150-percent of the CAISO market price or 150-percent of WAPA-SN's actual cost; and (3) 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 for negative deviations outside the bandwidth, or as otherwise required, 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.