

Rate Schedule CV-UUP2  
(Supersedes Rate Schedule CV-UUP1)

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

**CENTRAL VALLEY PROJECT**

**UNRESERVED USE PENALTIES**

**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October 1, 2024, through September 30, 2029, or until superseded, whichever occurs earlier.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 unreserved use of transmission service for the Central Valley Project, California-Oregon Transmission Project, and Pacific Alternating Current Intertie. This penalty is applicable to point-to-point (PTP) transmission customers using transmission not reserved or more than reserved, or network customers when they schedule delivery of off-system non-designated purchases using transmission capacity reserved for designated network resources.

**Character and Conditions of Service:**

Transmission service for three-phase, alternating current at 60-hertz, delivered and metered at the voltages and points of delivery or receipt, adjusted for losses, and delivered to points of delivery. This service includes scheduling and system control and dispatch service needed to support the transmission service.

**Penalty Rate:**

The formula rate for Unreserved Use Penalty (UUP) has three components.

**Component 1:**

A transmission customer that has not reserved capacity or exceeds its firm or non-firm reserved capacity at any point of receipt or any point of delivery will be assessed UUP.

The penalty charge for a transmission customer who engages in unreserved use is 200-percent of WAPA-SN's approved transmission service rate for PTP transmission service assessed as follows: (1) the UUP for a single hour of unreserved use will be based upon the rate for daily firm PTP service; (2) the UUP for more than one assessment for a given duration (e.g., daily) will increase to the next longest duration (e.g., weekly); and (3) the UUP for multiple instances of unreserved use (e.g., more than 1 hour) within a day will be based on the rate for daily firm PTP service. The penalty charge for multiple instances of unreserved use isolated to one-calendar week would result in a penalty based on the charge for weekly firm PTP service. The penalty charge for multiple instances of unreserved use during more than one week within a calendar month is based on the charge for monthly firm PTP service.

The UUP will not apply to transmission customers utilizing PTP transmission service under WAPA's Open Access Transmission Tariff (OATT) because of action taken to support reliability. Such actions include reserve activations or uncontrolled event response as directed by the responsible reliability authority such as Sub-Balancing Authority, Host Balancing Authority (HBA), Reliability Coordinator, or Transmission Operator.

A transmission customer that exceeds its firm or non-firm reserved capacity is required to pay for all ancillary services identified in WAPA's OATT associated with the unreserved use of transmission service. The transmission customer or eligible customer will pay for ancillary services, in accordance with existing rate schedules, based on the amount of transmission service

it used but did not reserve.

The UUP collected over and above the base PTP rate will be distributed to customers as a credit on future transmission revenue requirements.

**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:**

The UUP will be billed monthly under the formula rate.

**Adjustment for Losses:**

Losses incurred for delivery of power under this rate schedule shall be the responsibility of the customer that received the power.

**Audit Adjustments:**

Financial audit adjustments that apply to the formula rate will be evaluated on a case-by-case basis to determine the appropriate treatment for repayment and cash flow management.