

Reactive Supply and Voltage Control Service (DSW-RS4) Calculation of Fiscal Year 2026 Charge

Effective October 1, 2025

VAR Support Service Rate	=	$\frac{\text{Annual Revenue Requirement}}{\text{Transmission Transactions Requiring VAR Support}}$
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- **Numerator:** The Annual Revenue Requirement for VAR Support consists of the annual revenue requirement for generation multiplied by the percentage of resource capacity used for providing VAR Support Service. That percentage is based on the nameplate power factor (one minus the power factor) for the generating units supplying the service within Western Area Lower Colorado Balancing Authority (WALC).
- **Denominator:** Transmission Transactions Requiring VAR Support consists of the transmission transactions within WALC that require this service.

Annual Revenue Requirement for VAR Support				
Project	Generation Revenue Requirement	(1 - Power Factor)	Annual Revenue Requirement for Service	Contribution
Boulder Canyon Project	\$76,174,568	0.025	\$1,904,364	63.12%
Parker-Davis Project	\$34,765,824	0.032	\$1,112,506	36.88%
Total			\$3,016,870	100%

Transmission Reservations Requiring VAR Support	
Total	3,604,534 kW

Calculated Service Charges

\$.84 /kW-Year
\$.07 /kW-Month
\$.016 /kW-Week
\$.002 /kW-Day
.096 Mills/kWh