

*1041
v.126
ERRATA/

BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER RATE INCREASE
Docket No. EF-84-2011-000
ERRATA TO ADMINISTRATOR'S RECORD OF DECISION
CHANGES TO FILED RATE SCHEDULES

P BPA c1errata1
BPA1041 1983 *not OCLC*
1983 wholesale power and transmission
rate proposal : administrator's record of
31110000017196

The power bill shall reflect the distribution of the kilowatthours of billing energy among the respective billing demands for the billing month.

SECTION IV. SELECTION OF THE IP-83 RATE FOR BASIC SERVICE:

All sales of Industrial Firm Power for which there is no contract specifying use of the Premium Industrial Rate or the Industrial Incentive Rate shall be made at the Standard Industrial Rate.

If the purchaser elects to purchase Industrial Firm Power under the Premium Industrial Rate, BPA and the purchaser shall execute a contract specifying the period of time for which the Premium Industrial rate shall be effective.

The Industrial Incentive Rate shall only be applied to sales of Industrial Firm Power made pursuant to contracts specifying use of the Industrial Incentive Rate. Prior to applying the Industrial Incentive Rate, BPA and the purchaser shall contractually specify the terms and conditions under which the incentive rate shall apply. The contract with the purchaser shall specify:

- A. the period of time for which the Industrial Incentive Rate is to be applied (such period being for no less than 6 months or the end of the Rate Adjustment period, whichever comes first);
- B. the Committed Demand;
- C. the Committed Energy; and
- D. the level of the demand and energy charges.

During any billing month only one of the three possible rates for Industrial Firm Power basic service may apply (Standard Industrial Rate, Premium Industrial Rate, and Industrial Incentive Rate). The rate in effect on the first day of the billing month shall remain in effect for the entire billing month.

SECTION V. ADJUSTMENTS:

A. Value of Reserves

A monthly billing credit for the value of the reserves provided by purchasers of Industrial Firm Power under the Standard Industrial Rate and the Premium Industrial Rate shall be:

1. \$0.23 per kilowatt of billing demand; and
2. 1.6 mills per kilowatthour of billing energy.

The credit for power purchases under the Standard Industrial Rate and the Premium Industrial Rate shall be applied to the same billing factors which are used to determine the billing for power purchased under sections III.B.1, III.B.2, and III.C.1 of this rate schedule. No value of reserves credit shall be applied to that portion of the purchaser's demand subject to curtailment charges under section III.B.3 of this rate schedule. In addition, no value of reserves credit shall be applied to those purchases subject to unauthorized increase charges under section III.B.4, above.

No value of reserves credit shall be applied to purchases of Industrial Firm Power under the Industrial Incentive Rate.

B. Power Factor Adjustment

The adjustment for power factor, when specified in this rate schedule or in the power sales contract, shall be made in accordance with the provisions of both this section and section III.C.1 of the General Rate Schedule Provisions. The adjustment shall be made if the average leading power factor or average lagging power factor at which energy is supplied during the billing month is less than 95 percent.

To make the power factor adjustment, BPA shall increase the billing demand by one percentage point for each percentage point or major fraction thereof (.5 or greater) by which the average leading power factor or average lagging power factor is below 95 percent. BPA may elect to waive the adjustment for power factor in whole or in part.

C. Exchange Adjustment

The Exchange Adjustment shall be calculated pursuant to section III.C.2 of the General Rate Schedule Provisions and shall be applied to all power purchases under the Standard Industrial Rate and the Premium Industrial Rate.

For this rate schedule, the variable ECP in the Exchange Adjustment calculation shall have a value of .521.

SECTION VI. RESOURCE COST CONTRIBUTION:

The approximate cost contribution of different resource categories to the IP-83 rate is 100 percent Exchange.

The forecasted average cost of resources available to the Administrator under average water conditions is 18.9 mills per kilowatthour.

The forecasted cost of resources to meet load growth is 34.0 mills per kilowatthour.

SECTION VII. GENERAL PROVISIONS:

Sales of power under this schedule shall be subject to the General Rate Schedule Provisions and the following Acts, as amended: the Bonneville Project Act, the Regional Preference Act (Pub. L. 88-552), the Federal Columbia River Transmission System Act, and the Pacific Northwest Electric Power Planning and Conservation Act.

b. Offpeak Industrial Hanna Rate

If the purchaser is being served under the Offpeak Industrial Hanna Rate and requests more than 10 percent of Contract Demand during other than the specified offpeak period, such deliveries may be billed as an unauthorized increase. BPA shall make the determination as to how the unauthorized increase shall be billed.

5. Transitional Service:

If the purchaser requests billing on a Measured Demand basis pursuant to section 4 of the power sales contract and if BPA agrees to such billing, the billing demand for the billing month shall be the weighted average of the daily Measured Demands as adjusted for power factor. However, at no time during the period of restoration, as defined in section 4(e) of the power sales contract, shall the daily demand be lower than any previous such demand during such period. Should the Measured Demand for any day during the period of restoration be lower than the daily demand for the previous day, the previous day's demand shall be used as the daily demand for such day.

B. Billing Energy

The billing energy under both the Standard and Offpeak Industrial Hanna Rates shall be the Measured Energy for the billing month.

The power bill shall reflect the distribution of the kilowatthours of billing energy among the respective billing demands for the billing month.

SECTION IV. SELECTION OF THE IH-83 RATE:

The purchaser may select one of two service options, standard service or offpeak service. BPA will provide standard service under the Standard Industrial Hanna Rate and offpeak service under the Offpeak Industrial Hanna Rate. Unless BPA receives a formal request for service under the Special Offpeak Industrial Hanna Rate, all service will be standard service provided under the Standard Industrial Hanna Rate. To change the type of service provided and the associated rate, the purchaser shall submit a formal request for service under the preferred rate option in accordance with the terms of the purchaser's power sales contract. Once a purchaser has elected to purchase under one of the two options, all purchases of special industrial power shall be subject to the terms and conditions of that rate option until such time as the purchaser requests the other type of service.

SCHEDULE CF-83

FIRM CAPACITY RATE

SECTION I. AVAILABILITY:

This schedule is available for the contract purchase of Firm Capacity without energy on a Contract Demand basis. BPA may supply Firm Capacity:

- A. on a contract year basis (all 12 months of the year);
- B. on a contract season basis (June 1 through October 31); or
- C. on a general basis (where the months during which Firm Capacity will be supplied are specified in the power sales contract).

This schedule supersedes Schedule CF-2 which went into effect on an interim basis on October 1, 1982.

SECTION II. RATE:

A. Contract Year Service

\$44.76 per kilowatt per year of Contract Demand, billed monthly at the rate of \$3.73 per kilowatt of Contract Demand.

B. Contract Season Service

\$12.10 per kilowatt per season of Contract Demand, billed monthly during the contract season at the rate of \$2.42 per kilowatt of Contract Demand.

C. General Service

- 1. for the billing months December through April:
\$5.57 per kilowatt of Contract Demand;
- 2. for the billing months May through November:
\$2.42 per kilowatt of Contract Demand,

BPA shall bill purchasers of general Firm Capacity service at the applicable monthly rate, as given in C.1 and C.2, above. Bills shall be rendered only for the months during which BPA has contracted to supply Firm Capacity to the purchaser.

SCHEDULE NR-83

NEW RESOURCE FIRM POWER RATE

SECTION I. AVAILABILITY:

This schedule is available for the contract purchase of firm power to be used within the Pacific Northwest.

New Resource Firm Power is available to those investor-owned utilities under net requirements contracts purchasing firm power for resale, direct consumption, or use in construction, test and start up, and station service.

New Resource Firm Power is also available to any public body, cooperative, or Federal agency to the extent such power is needed to serve any increase in energy consumption of a load as defined in section 3.(13) of the Pacific Northwest Electric Power Planning and Conservation Act as interpreted in Notice of Final Action (46 F.R. 44353)(September 3, 1981).

In addition, BPA may make this rate available to those parties participating in exchange agreements which use this rate schedule as the basis for determining the amount or value of power to be exchanged.

This schedule supersedes Schedules NR-2 and FE-2 which went into effect on an interim basis on October 1, 1982.

SECTION II. RATE:

A. Demand Charge:

1. for the billing months December through April, Monday through Saturday, 7 a.m. through 10 p.m.: \$5.57 per kilowatt of billing demand;
2. for the billing months May through November, Monday through Saturday, 7 a.m. through 10 p.m.: \$2.42 per kilowatt of billing demand;
3. all other hours: No demand charge.

B. Energy Charge:

1. for the billing months September through March: 26.3 mills per kilowatthour of billing energy;
2. for the billing months April through August: 21.0 mills per kilowatthour of billing energy.

6. Operating Demand

The Operating Demand is that demand which is established in accordance with section 5(b) of the purchaser's power sales contract. For the purpose of the rate schedules and these GRSP's two other terms are defined: the Forecasted Operating Demand and the Monthly Operating Demand.

Forecasted Operating Demand:

The Forecasted Operating Demand for each direct-service industrial purchaser is that demand which was forecast for the development of rates. Those Forecasted Operating Demands are presented below for Period A (November 1, 1983, through June 30, 1984), Period B (July 1, 1984, through June 30, 1985), and Period C (July 1, 1985 until the next Rate Adjustment Date).

	<u>PERIOD A</u>	<u>PERIODS B & C</u>
a. Aluminum Company of America	472.0 MW	469.0 MW
b. Arco Metals Company	262.0 MW	282.0 MW
c. The Carborundum Company	0.2 MW	0.2 MW
d. Crown Zellerbach Corporation	16.6 MW	16.6 MW
e. Elkem Metals Company	0.0 MW	0.0 MW
f. Georgia-Pacific Corporation	25.9 MW	27.8 MW
g. Intalco Aluminum Company	452.0 MW	452.0 MW
h. Kaiser Aluminum & Chemical Corporation	426.0 MW	516.0 MW
9. Martin Marietta Aluminum, Inc.	424.0 MW	412.0 MW
i. Oregon Metallurgical Corporation	5.25 MW	5.25 MW
j. Pacific Carbide and Alloys Company	6.7 MW	6.7 MW
k. Pennwalt Corporation	57.5 MW	57.5 MW
l. Reynolds Metals Company	580.0 MW	603.0 MW

Monthly Operating Demand:

The Monthly Operating Demand is used to compute the amount of the customer charge for each of BPA's direct-service industrial customers purchasing under the IP-83 Rate Schedule. The Monthly Operating Demand shall be determined by each purchaser and shall be submitted to BPA by November 1, 1983, for Period A, by July 1, 1984, for Period B, and by July 1, 1985, for Period C, if applicable. The purchaser shall determine its Monthly Operating Demand for each month of the rate period (Period A, Period B, and Period C) such that the average of the Monthly Operating Demands for each rate period shall equal the Forecasted Operating Demand for the period. The Monthly Operating Demand may not exceed, at any time, the purchaser's Operating Demand as specified in the power sales contract. If a purchaser does not make a submission to BPA, BPA shall assume that the purchaser will take its Forecasted Operating Demand in each month of the rate period.

C. BILLING ADJUSTMENTS

1. Power Factor Adjustment

The formula for determining average power factor is as follows:

$$\text{Average Power Factor} = \frac{\text{Kilowatthours}}{\sqrt{(\text{Kilowatthours})^2 + (\text{Reactive Kilovoltamperehours})^2}}$$

The data used in the above formula shall be obtained from meters which are ratcheted to prevent reverse registration.

When deliveries to a purchaser at any point of delivery either:

- a. include more than one class of power, or
- b. are provided under more than one rate schedule

and it is impracticable to meter the kilowatthours and reactive kilovoltamperehours for each class or rate schedule separately, the average power factor of the total deliveries for the month will be used, where applicable, as the power factor for all power delivered to such point of delivery.

To maintain acceptable operating conditions on the Federal system, BPA may, unless specifically otherwise agreed, restrict deliveries of power to a purchaser with a poor power factor. Such restriction may be made to a point of delivery or to a purchaser's system at any time that the average leading power factor or average lagging power factor for all classes of power delivered to such point or to such system is below 75 percent.

2. Exchange Adjustment Clause

To the extent that the accounting net cost of exchange resources (the cost of the exchange resources to BPA minus the revenue collected from the exchange loads) differs from that forecast for development of rates, a rebate shall be given or a surcharge assessed to all those purchasing under rate schedules which include this adjustment (PF-83, IP-83, CF-83, and NR-83).

There will be an Exchange Adjustment for the period November 1, 1983, through June 30, 1984 (Period A), another such adjustment for the period July 1, 1984, through June 30, 1985 (Period B), and a third adjustment for the period July 1, 1985, until the next Rate Adjustment Date (Period C), provided BPA does not adjust its wholesale power rates on July 1, 1985.

Calculation and Application of the Exchange Adjustment:

The total amount of revenue which must be rebated or recovered in order for BPA to adjust for changes in the accounting net cost of the exchange shall be calculated for each exchange adjustment period according to the formula below. However, because the exchange adjustment is not being applied to the Surplus Firm Power Rate Schedule to which exchange costs have been allocated, the actual amount of revenue rebated or recovered will be less than the value of TAR.

$$\text{TAR} = (\text{AEC} - \text{AER}) - (\text{FEC} - \text{FER})$$

where:

- TAR = total amount of revenue underrecovery (or overrecovery) of the accounting net cost of the exchange for the exchange adjustment period;
- AEC = actual total exchange cost for the period for which the exchange adjustment is being made; AEC includes exchange costs from the utilities whose average system cost (ASC) is deemed equal to the Priority Firm Power Rate (deeming utilities);
- AER = actual exchange revenue for the relevant period; both AEC and AER will be calculated without considering the effect of the Exchange Adjustment Clause, but including the effect of the Supply System Adjustment Clause; AER includes exchange revenue from deeming utilities;
- FEC = forecasted exchange cost;
for Period A, the value of FEC is equal to \$634,610,000;
for Period B, the value of FEC is equal to \$1,088,690,000;
for Period C, the value of FEC shall be calculated after BPA has determined the number of months in Period C;
- FER = forecasted exchange revenue;
for Period A, the value of FER is equal to \$536,901,000;
for Period B, the value of FER is equal to \$809,201,000;
for Period C, the value of FER shall be calculated after BPA has determined the number of months in Period C;

Next, the rebate or surcharge for each customer class for each period shall be calculated.

$$\text{CCEA} = \text{TAR} * \text{ECP}$$

where:

- CCEA = rebate or surcharge for each customer class for each exchange adjustment period; two values of CCEA shall be calculated for Firm Capacity service, one value for contract year and general Firm Capacity service and another for contract season service.

testimony to BPA. Interested parties shall be afforded a reasonable opportunity to examine the testimony of all witnesses. Written comments on the calculation of the proposed Supply System Adjustment will be accepted until close of business on June 1, 1984. BPA shall then evaluate all comments received. Comments and testimony should be directed to the proper calculation of the adjustment, not the appropriateness of the level of Supply System budgets or construction schedules. Consideration of comments and more current information, i.e., the Supply System Annual Budget for OY 1985 as of June 15, 1984, may result in the final adjustment differing from the proposed adjustment. Prior to implementing the adjustment, BPA shall notify all affected parties of the amount of the final adjustment.

4. Conservation Charge

BPA shall assess a charge on all purchasers who are party to any of BPA's conservation contracts which contain the conservation charge provision. That charge, established pursuant to section 32 of the General Conservation Contract Provisions (GCCP's), shall be assessed for each billing period. For these conservation charges, the billing periods shall be:

- Period A: November 1, 1983, through June 30, 1984;
- Period B: July 1, 1984, through June 30, 1985; and
- Period C: July 1, 1985, until the next Rate Adjustment Date.
Period C shall only occur if BPA does not adjust its wholesale power rates on July 1, 1985.

For metered requirements customers the charge shall be equal to:

$$\text{COST} * \text{ACTLD}$$

where:

COST = the cost in mills per kilowatthour for each conservation charge period; COST is equal to:

.179 for Period A; and
.370 for Periods B and C;

ACTLD = for Periods A and B, the actual non-BPA load for the operating year (July 1 through June 30) for each utility being assessed this charge; for Period C, the utility's actual non-BPA load in the months which constitute Period C; non-BPA load is defined below;

For computed requirements customers (including the investor-owned utilities) the charge shall be equal to:

$$(\text{COST} * \text{ACTLD}) + [\sum[(\text{ACTLD} / \text{UTTL}) * \text{PAYMT} * \text{FACTOR}]$$

i.e., Load Charge + Reimbursement Charge

where:

COST = the cost in mills per kilowatthour for each conservation charge period; COST is equal to:

.143 for Period A; and
.248 for Periods B and C.

ACTLD = for Periods A and B, the actual non-BPA load for the operating year (July 1 through June 30) for each utility being assessed this charge; for Period C, the utility's actual non-BPA load in the months which constitute Period C; non-BPA load is defined below;

UTTL = the utility's actual total load for the operating year for Periods A and B; for Period C, the utility's actual total load in the months which constitute Period C;

PAYMT = direct payments (by BPA, a trustee, or other disbursing agent to a utility, its contractor, or its assignee) of funds budgeted to implement the Street and Area Lighting Program Agreement and/or the Residential Weatherization Conservation Program Agreement; PAYMT shall be equal to the sum of those payments, or applicable portions thereof, obligated for the period November 1, 1983, through the end of the contract charge period in question;

FACTOR = the amount of money to be collected from the Reimbursement Charge (as opposed to the Load Charge) for computed requirements purchasers, divided by the forecasted conservation acquisition expenditures for the computed requirements customers' non-BPA load; FACTOR is equal to:

.068 for Period A; and
.088 for Periods B and C.

(ACTLD / UTTL) * PAYMT shall be calculated for each period specified above. The reimbursement charge is calculated by summing (ACTLD / UTTL) * PAYMT for each period from OY 84 to the present and multiplying that sum by the factor for the present period. Thus, the reimbursement charge for each period is:

Period A: $[(ACTLD\ 84 / UTTL\ 84) * PAYMT\ 84] * [.068]$

Period B: $[[(ACTLD\ 84 / UTTL\ 84) * PAYMT\ 84] + [(ACTLD\ 85 / UTTL\ 85) * PAYMT\ 85]] * [.088]$

SCHEDULE FPT-83.3

FORMULA POWER TRANSMISSION

SECTION I. AVAILABILITY:

This schedule supersedes FPT-2 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once every 3 years. It is available for firm transmission of electric power and energy using the FCRTS. This schedule is for full-year and partial-year service and for either continuous service or intermittent service so long as firm availability of service is required.

SECTION II. RATES

A. Full-Year Service:

The monthly charge per kilowatt of billing demand shall be one-twelfth of the sum of the Main Grid Charge, the Secondary System Charge, and Intertie Charge, as applicable and as specified in the Agreement.

1. Main Grid Charge:

The Main Grid Charge shall be the sum of one or more of the following factors as specified in the Agreement:

- a. Main Grid Distance Factor - The amount computed by multiplying the Main Grid Distance by \$.0326 per mile;
- b. Main Grid Interconnection Terminal Factor - \$.42.
- c. Main Grid Terminal Factor - \$.32;
- d. Main Grid Miscellaneous Facilities Factor - \$1.56;

1. Secondary System Charge:

The Secondary System Charge shall be the sum of one or more of the following factors as specified in the Agreement:

- a. Secondary System Distance Factor - The amount determined by multiplying the Secondary System Distance by \$.1879 per mile;
- b. Secondary Transformation Factor - \$2.38;
- c. Secondary System Intermediate Terminal Factor - \$.76;
- d. Secondary System Interconnection Terminal Factor - \$.95.

SCHEDULE FPT-83.5

FORMULA POWER TRANSMISSION

SECTION I. AVAILABILITY:

This schedule supersedes FPT-1 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once every 5 years. It is available for firm transmission of electric power and energy using the FCRTS. This schedule is for full-year and partial-year service and for either continuous service or intermittent service so long as firm availability of service is required.

SECTION II. RATES

A. Full-Year Service:

The monthly charge per kilowatt of billing demand shall be one-twelfth of the sum of the Main Grid Charge, the Secondary System Charge, and Intertie Charge, as applicable and as specified in the Agreement.

1. Main Grid Charge:

The Main Grid Charge shall be the sum of one or more of the following factors as specified in the Agreement:

- a. Main Grid Distance Factor - The amount computed by multiplying the Main Grid Distance by \$.0326 per mile;
- b. Main Grid Interconnection Terminal Factor - \$.42.
- c. Main Grid Terminal Factor - \$.32;
- d. Main Grid Miscellaneous Facilities Factor - \$1.56;

2. Secondary System Charge:

The Secondary System Charge shall be the sum of one or more of the following factors as specified in the Agreement:

- a. Secondary System Distance Factor - The amount determined by multiplying the Secondary System Distance by \$.1879 per mile;
- b. Secondary Transformation Factor - \$2.38;
- c. Secondary System Intermediate Terminal Factor - \$.76;
- d. Secondary System Interconnection Terminal Factor - \$0.95.

e. Integrated Network:

Those transmission facilities which primarily perform the function of bulk transmission of electric power in the Pacific Northwest, excluding facilities not segmented to the Network in the Cost of Service Analysis used in BPA's rate development.

f. Main Grid:

As used in the FPT rate schedule, that portion of the FCRTS with facilities rated 230-kV and higher, exclusive of those designated as Interties.

g. Main Grid Distance:

As used in the FPT rate schedule, the distance in airline miles on the Main Grid between the POI and the POD, multiplied by 1.15.

h. Main Grid Interconnection Terminal:

As used in the FPT rate schedule, Main Grid terminal facilities that interconnect the FCRTS with non-BPA facilities.

i. Main Grid Miscellaneous Facilities:

As used in the FPT rate schedule, switching, transformation, and other facilities of the Main Grid not included in other factors.

j. Main Grid Terminal:

As used in the FPT rate schedule, the Main Grid terminal facilities located at the sending and/or receiving end of a line exclusive of the Interconnection terminals.

- k. Measured Demand. Except where deliveries are scheduled as hereinafter provided, the Measured Demand in kilowatts shall be the largest of the 60-minute clock-hour integrated demands delivered to a customer at each POD during each time period specified in the applicable rate schedule during any billing period. Such largest 60-minute integrated demand shall be determined from measurements made as specified in the Agreement. BPA, in determining the Measured Demand, will exclude any abnormal 60-minute integrated demands due to or resulting from (a) emergencies or breakdowns on, or maintenance of, the Federal System Facilities; and (b) emergencies on the customer's facilities, provided that such facilities have been adequately maintained and prudently operated as determined by BPA. For those Agreements to which BPA is a party and which provide for delivery of more than one class of electric power to the customer at any POD, the portion of each 60-minute integrated demand assigned to any class of power shall be determined as specified in the Agreement. The portion of the total Measured Demand so assigned shall constitute the Measured Demand for each such class of power.

