

**FOIA Request**

Kathleen Proffitt, Davison Van Cleve, PC 10-24-2002

**BPA Transmission Contracts**

**Longview, Kaiser, Northwest, Goldendale & Golden Northwest Aluminum**  
 From January 1, 1995 to present

Customer	Contract No.	Type	Status
Golden Northwest Aluminum	02TX-11262	PTP	Executed
Goldendale Aluminum	01TX-10505	CSE	Executed
Goldendale Aluminum	96MS-96109	PTP	Executed
Goldendale Aluminum	95MS-94900	FPT	Terminated
Goldendale Aluminum	DE-MS79-95BP94762	IR	Executed
Northwest Aluminum	DE-MS79-95BP94766	IR	Executed
Northwest Aluminum	96MS-96111	PTP	Executed
<del>Kaiser Aluminum</del>	97TX-10046	LtrAgree	Executed
<del>Kaiser Aluminum</del>	00TX-30435	CSE	Executed
Kaiser Aluminum	DE-MS79-95BP94765	Trans	Executed
Kaiser Aluminum	96MS-96107	PTP	Executed
Longview Aluminum	01TX-10681	NT	Executed
Longview Aluminum	02TX-11080	CWJ	Executed
Longview Aluminum	DE-MS79-94BP94443	IR	Terminated
Longview Aluminum	DE-MS79-95BP94767	IR	Executed
Longview Aluminum	95MS-94865	PS/UFT	Terminated

**Department of Energy**  
Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

***AUTHENTICATED***

Mr. Gerald F. Miller, Vice President  
Goldendale Aluminum Company  
2905 NE. 156th Street  
Vancouver, WA 98686

SUBJECT: Terminate Contract No. 95MS-94900

Dear Mr. Miller:

On October 5, 1995, the Bonneville Power Administration (BPA) executed a Formula Power Transmission Agreement, Contract No. 95MS-94900 (Transmission Agreement), with Columbia Aluminum Corporation (Columbia). Under the Transmission Agreement BPA provides for the transmission of electric power and energy from BPA's Midway Substation for delivery to Columbia at BPA's Harvalum Substation.

In accordance with subsection 1(b), the Company may terminate the Transmission Agreement at such time the Transmission Demand is reduced to zero pursuant to the terms and provisions of section 9. Effective on 2400 hours June, 30 1996, Columbia entered into a 3-month Energy Sales and Services Agreement with BPA, Contract No. 96MS-95286, providing for, among other things, all power deliveries to Columbia. Pursuant to section 9(f) of the Transmission Agreement the Transmission Demand was reduced to zero effective 2400 hours June 30, 1996. Therefor, termination of the Agreement shall occur at 2400 hours June 30, 1996. All liabilities incurred thereunder are hereby preserved until satisfied.

Please sign and date both copies of this termination letter and return one fully executed original to BPA. The remaining copy is for your files.

Sincerely,

Robert D. King  
Customer Account Executive

CONCUR: /S/ GERALD F. MILLER

DATE: 10-7-96

Enclosure

bcc:

Official File - TMC

RPaulsrude.md:5849:08/13/96 (MCPLAN-TMC-W:\TMC\CT94900\_1.DOC)



**TRANSMISSION PARAMETERS**

This Revision No. 1 increases the Transmission Demand at the Point of Interconnection to 115 MW for the period April 1-June 30, 1996, and adjusts the UFT charge pursuant to a reduction in O&M Annual Costs and an increase in Noncoincidental Peak.

**A. Midway Point of Interconnection**

**POI Voltage**

- 1. 230 kV
- 2. 230 kV

**Resource to be Integrated**

- 15 MW purchase from APSI
- 100 MW purchase from APSI

**B. Point of Delivery and Transmission Demand**

Location	Voltage (kV)	Transmission Demand (kW)	Transmission Charge (\$/kW/mo)	UFT Charge (\$/kW/mo)	Partial Year Service (\$/kW/mo)
1. Harvalum Substation	115	115,000 <sup>1/</sup>	0.483	0.197	N/A
2. Harvalum Substation	115	15,000 <sup>2/</sup>	0.483	0.197	\$0.644 <sup>3/</sup>

<sup>1/</sup> For the period April 1, 1996 through June 30, 1996.

<sup>2/</sup> For the period July 1, 1996 through September 30, 1996.

<sup>3/</sup> The Partial Year Service Charge is associated with transmission services for the 100 MW sale from APSI which terminates at 2400 hours on June 30, 1996. Such charge is computed as follows: 100,000 (0.483 × 0.20)/15,000. The Partial Year Service Charge shall be adjusted if the Company requests a(n) increase/decrease in the 15 MW Transmission Demand at the POI beginning 2400 hours on June 30, 1996.

**C. Calculation of Charges Pursuant to the FPT-95.1 Rate Schedule**

Facility	Schedule of Annual Charges (\$/kW)	Applicable Annual Charges (\$/kW)
<b>Main Grid</b>		
Interconnection Terminal <sup>1/</sup>	0.28	
Terminal	0.46	0.46
Transmission Distance Charge (76 airline miles × 1.15 × \$0.0386/mile to Harvalum Substation)	0.0386/mi	3.37
Miscellaneous Facilities	1.96	1.96
Terminal	0.46	
Interconnection Terminal	0.28	
<b>Secondary System</b>		
Transformation	4.26	
Interconnection Terminal	0.71	
Intermediate Terminal	1.34	
Transmission Distance Charge (___ circuit miles × \$0.2895/mile)	0.2895/mi	
Intermediate Terminal	1.34	
Interconnection Terminal	0.71	
<b>Total Annual Charge (\$/kW/yr)</b>		<b>5.79</b>
<b>Monthly Transmission Charge (\$/kW/mo)</b>		<b>0.483</b>

**C. Calculation of Charges Pursuant to the UFT-83 Rate Schedule**

Facility	Investment	I&A Annual Cost Ratio	I&A Annual Cost	O&M Annual Cost	Noncoincidental Peak (kW)	\$/kW/yr
Harvalum Substation	\$4,128,492	7.91%	\$326,564	\$384,496	300,750	\$2.36

ACCEPTED:

COLUMBIA ALUMINUM CORPORATION

UNITED STATES OF AMERICA  
 Department of Energy  
 Bonneville Power Administration

By /S/ PAUL A. SPIES

Name Paul A. Spies  
 (Print/Type)

Title Director Corporate Planning

Date March 29, 1996

By /S/ SYDNEY D. BERWAGER  
 Senior Account Executive

Name Sydney D. Berwager  
 (Print/Type)

Date March 29, 1996



**TRANSMISSION LOSS FACTORS**

This Revision No. 1 creates two tables of loss calculations covering two time periods. For the time period beginning April 1, 1996, Table 1 increases the Transmission Demand for calculating hourly losses to 115 MW and includes UFT loss factors for Harvalum Substation. For the time period beginning July 1, 1996 Table 2 decreases the Transmission Demand used in calculating hourly losses to 15 MW. This Revision No. 1 also corrects the voltage level at the Point of Delivery

**A. Calculation of Hourly Losses****Assume:**

- $L_p$  = Peak wheeling loss applicable to a specified peak amount of power wheeled under this Agreement during the time of peak Federal system generation.  $L_p$  is a constant for each hour of a billing period.
- $D_m$  = Airline transmission distance plus 15 percent.
- $D_s$  = Secondary system transmission distance.
- $W_m$  = Maximum power wheeled over main system under this Transmission Agreement.
- $W_s$  = Maximum power wheeled over secondary system under this Transmission Agreement.
- $W_t$  = Maximum power wheeled through the stepdown transformations under this Transmission Agreement.
- $L_m$  = Average loss per megawatt-mile on the main system.  $L_m$  is constant for each hour of a billing period.
- $L_s$  = Average loss per megawatt-mile on the secondary system.  $L_s$  is a constant for each hour of a billing period.
- $L_t$  = 230/115 kV transformation loss (percent).
- $L_w$  = Wheeling loss for the power scheduled for a particular hour under section 4(a) of this Transmission Agreement.
- $P_f$  = Federal generation for a particular hour.
- $P_{fp}$  = Amount of Federal generation upon which the average wheeling loss,  $L_m$ , was based.  $P_{fp}$  is constant for each hour of a billing period.
- $P_w$  = Amount of power scheduled for a particular hour to be wheeled under this Agreement by Bonneville.

**Given:**

<b>Point of Interconnection</b>	<b>Point of Delivery</b>	<b>Transmission Demand</b>	<b>Airline Distance + 15% (miles)</b>
Midway 230 kV	Harvalum 24 kV	115,000	87.4

**Therefore,**

Dm = 87.4  
 Wm = 115,000 kW  
 Wt = 115,000 kW

Also, as of January 1, 1993

Lm = 0.143 kW per MW mi  
 Lt = 0.337 percent  
 Pfp = 16,221,000 kW

**Peak Loss Calculation**

Lp = [(Dm)(Wm)(Lm)] + [(Wt)(Lt)]  
 = [(87.4)(115,000)(0.000143)] + [(115,000) × (0)]  
 = 1,437 kW

**Hourly Wheeling Loss Calculation**

Lw = [(Lp)(Pf)(Pw)] ÷ [(Pfp)(Wm)]  
 Let K = Lp ÷ [(Pfp)(Wm)]  
 = 1,427 ÷ [(16,221,000)(115,000)]  
 = 7.703 × 10<sup>-10</sup> per kW, or 7.703 × 10<sup>-7</sup> per MW

Therefore,

Lw = K(Pf)(Pw)  
 = 7.703 × 10<sup>-7</sup> per MW (Pf)(Pw) MW of loss

Hourly losses are determined by inserting the amounts of Pf and Pw for a particular hour.

**B. Transmission Loss Factors to be Applied to Use-of-Facilities Transmission**

<b>Rate Schedule</b>	<b>Loss Factor</b>
UFT-83	0.55 percent <sup>1/</sup>

<sup>1/</sup> Applied to the Harvalum Substation Point of Delivery

## TRANSMISSION LOSS FACTORS

### A. Calculation of Hourly Losses

#### Assume:

- $L_p$  = Peak wheeling loss applicable to a specified peak amount of power wheeled under this Agreement during the time of peak Federal system generation.  $L_p$  is a constant for each hour of a billing period.
- $D_m$  = Airline transmission distance plus 15 percent.
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- $P_w$  = Amount of power scheduled for a particular hour to be wheeled under this Agreement by Bonneville.

Given:

<b>Point of Interconnection</b> Midway 230 kV	<b>Point of Delivery</b> Harvalum 24 kV	<b>Transmission Demand</b> 15,000	<b>Airline Distance + 15% (miles)</b> 87.4
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Therefore,

$$\begin{aligned} D_m &= 87.4 \\ W_m &= 15,000 \text{ kW} \\ W_t &= 15,000 \text{ kW} \end{aligned}$$

Also, as of January 1, 1993

$$\begin{aligned} L_m &= 0.143 \text{ kW per MW mi} \\ L_t &= 0.337 \text{ percent} \\ P_{fp} &= 16,221,000 \text{ kW} \end{aligned}$$

**Peak Loss Calculation**

$$\begin{aligned} L_p &= [(D_m)(W_m)(L_m)] + [(W_t)(L_t)] \\ &= [(87.4)(15,000)(0.000143)] + [(15,000) \times (0)] \\ &= 187 \text{ kW} \end{aligned}$$

**Hourly Wheeling Loss Calculation**

$$L_w = [(L_p)(P_f)(P_w)] \div [(P_{fp})(W_m)]$$

$$\begin{aligned} \text{Let } K &= L_p \div [(P_{fp})(W_m)] \\ &= 187 \div [(16,221,000)(15,000)] \\ &= 7.686 \times 10^{-10} \text{ per kW, or } 7.686 \times 10^{-7} \text{ per MW} \end{aligned}$$

Therefore,

$$\begin{aligned} L_w &= K(P_f)(P_w) \\ &= 7.686 \times 10^{-7} \text{ per MW } (P_f)(P_w) \text{ MW of loss} \end{aligned}$$

Hourly losses are determined by inserting the amounts of  $P_f$  and  $P_w$  for a particular hour.

**B. Transmission Loss Factors to be Applied to Use-of-Facilities Transmission**

<b>Rate Schedule</b> UFT-83	<b>Loss Factor</b> 0.55 percent <sup>1/</sup>
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<sup>1/</sup> Applied to the Harvalum Substation Point of Delivery



**Department of Energy**  
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## **Appendix C: Contract Implementation Brief**

*Required documentation: To ensure proper contract implementation*

**CONTRACT NUMBER: 95MS-94900**

**CONTRACT TITLE: Termination Agreement**

**CONTRACT PARTIES: Goldendale Aluminum Company (A.K.A Columbia Aluminum) 2905 NE 156th Street, Vancouver, WA 98686 Gerald Miller V.P. 360 750-5504**

**TYPE OF ACTION: Terminates Transmission Agreement (95MS-94900)**

**BONNEVILLE SIGNATORY, CONTRACT DRAFTER AND COTR Bob King Signatory, Russ Paulsrude contract drafter.**

**CONTRACT SUMMARY: BPA and Goldendale Aluminum agreed to terminate the transmission agreement effective 2400 hrs June 30, 1996.**

**BASIC STATUTORY REQUIREMENTS:**

**RELATED CONTRACT ACTIONS: Energy Sales and Service Agreement (95MS-95286) which now provides for transmission of power to Goldendale.**

**CONTRACT ADMINISTRATION RESPONSIBILITY:**

- **Sales & Customer Service: None**
  - **Billing Operations: Stop billing as of 2400 hrs. June 30, 1996.**
  - **Revenue Analysis: Stop billing as of 2400 hrs. June 30, 1996.**
  - **District Office: None**
  
- **Marketing, Conservation & Production: None**
  - **Power Scheduling:**
  - **Conservation & Energy Services Field Support (Vancouver, Seattle, Walla Walla, Spokane or Headquarters):**
  - **Measurement & Evaluation:**
  - **Contract Management & Implementation:**
  
- **Financial Services:**
  - **Client Support:**
  - **Managerial Accounting:**
  - **Cash Management:**
  
- **Transmission Services:**
  - **Engineering:**

- **Transmission:**
- **Operations:**
- **Construction:**