BP-26E Rate Proceeding

APPENDIX B:

Revised 2026 Ancillary and Control Area Services Rate Schedule

BP-26E-A-01-AP02

November 2026

ACS-26
ANCILLARY AND CONTROL AREA SERVICE RATES

SECTION I. AVAILABILITY

This schedule supersedes the ACS-24 rate schedule and the ACS-26 rate schedule. It is available to all Transmission Customers taking service under the Open Access Transmission Tariff (OATT) and other contractual arrangements. This schedule also is available for transmission service of a similar nature that may be ordered by the Federal Energy Regulatory Commission (FERC) pursuant to Sections 211 and 212 of the Federal Power Act (16 U.S.C. §§ 824j and 824k). Service under this schedule is subject to BPA's General Rate Schedule Provisions (GRSPs), which follow the rate schedules in this document.

A. Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. The Transmission Provider is required to provide, and the Transmission Customer is required to purchase, the following Ancillary Services: a) Scheduling, System Control, and Dispatch, and b) Reactive Supply and Voltage Control from Generation Sources.

In addition, the Transmission Provider is required to offer to provide the following Ancillary Services only to the Transmission Customer serving load within the Transmission Provider's Control Area: a) Regulation and Frequency Response, and b) Energy Imbalance. The Transmission Customer serving load within the Transmission Provider's Control Area is required to acquire these Ancillary Services, whether from the Transmission Provider, from a third party, or by self- supply.

The Transmission Provider is also required to offer to provide a) Operating Reserve – Spinning and b) Operating Reserve – Supplemental to the Transmission Customer in accordance with applicable NERC, WECC, and NWPP standards. The Transmission Customer taking these services in the Transmission Provider's Control Area is required to acquire these Ancillary Services, whether from the Transmission Provider, from a third party, or by self-supply in accordance with applicable NERC, WECC, and NWPP standards.

The Transmission Customer may not decline the Transmission Provider's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from the Transmission Provider.

Ancillary Services available under this rate schedule are:

1. Scheduling, System Control, and Dispatch Service
2. Reactive Supply and Voltage Control from Generation Sources Service
3. Regulation and Frequency Response Service
4. Energy Imbalance Service
5. Operating Reserve – Spinning Reserve Service
6. Operating Reserve – Supplemental Reserve Service

B. Control Area Services

Control Area Services are available to meet the Reliability Obligations of a party with resources or loads in the BPA Control Area. A party that is not satisfying all its Reliability Obligations through the purchase or self-provision of Ancillary Services must purchase Control Area Services to meet its Reliability Obligations.

Control Area Services are also available to parties with resources or loads in the BPA Control Area that have Reliability Obligations but do not have transmission agreements with BPA. Reliability Obligations for resources or loads in the BPA Control Area will be determined consistent with the applicable NERC, WECC, and NWPP standards.

Control Area Services available under this rate schedule are:

1. Regulation and Frequency Response Service
2. Generation Imbalance Service
3. Operating Reserve – Spinning Reserve Service
4. Operating Reserve – Supplemental Reserve Service
5. Variable Energy Resource Balancing Service
6. Dispatchable Energy Resource Balancing Service

C. Energy Imbalance Market Services And Rates

EIM Service is used to meet the Energy Imbalance (EI) and Generation Imbalance (GI) obligations of loads and resources in the BPA Control Area or balancing authority area (BAA), and optimize the transmission system by economically dispatching generating resources across the EIM footprint. All Transmission Customers are subject to EIM charges and credits. The BPA BAA receives charges and credits from the California Independent System Operator (CAISO or Market Operator (MO)) for the BPA BAA on behalf of all loads, Interchange, and non-participating resources in the BAA in accordance with Section 29 of the Market Operator Tariff. This section allocates the charges and credits received by the BPA BAA.

1. EIM Imbalance Charges
   a. Energy Imbalance (EI) Service (Tariff Schedule 4E)
   b. Generator Imbalance (GI) Service (Tariff Schedule 9E)

2. Interchange and Intrachange Imbalance

3. Charges for Under-Scheduling or Over-Scheduling Load

4. EIM Neutrality and Uplift Charges and Credits

5. Flexible Ramping Product

6. Rolled In Charges

7. Other Charges and Provisions

SECTION II. ANCILLARY SERVICE RATES

A. Scheduling, System Control, And Dispatch Service

The rates below apply to Transmission Customers taking Scheduling, System Control, and Dispatch Service from BPA. These rates apply to both firm and non-firm transmission service. Transmission arrangements on the Network and on the Southern Intertie are each charged separately for Scheduling, System Control, and Dispatch Service.

1. Rates

a. NT Service

The rate will not exceed $0.459 per kilowatt per month.

b. Long-Term Firm PTP Transmission Service

The rate will not exceed $0.391 per kilowatt per month.

c. Short-Term Firm and Non-Firm PTP Transmission Service

For each reservation, the rates will not exceed:

(1) Monthly, Weekly, and Daily Firm and Non-Firm Service

(A) Days 1 through 5 $0.018 per kilowatt per day

(B) Day 6 and beyond $0.013 per kilowatt per day

(2) Hourly Firm and Non-Firm Service

The rate will not exceed 1.13 mills per kilowatthour.

2. Billing Factors

a. Point-to-Point Transmission Service

For Transmission Customers taking Point-to-Point Transmission Service (PTP and IS), the Billing Factor for each rate specified in Sections 1.b. and 1.c.(1) and for the Hourly Firm PTP Transmission Service rate specified in 1.c.(2) will be the Reserved Capacity, which is the greater of:

(1) the sum of the capacity reservations at the Point(s) of Receipt, or

(2) the sum of the capacity reservations at the Point(s) of Delivery.

The Reserved Capacity for Firm PTP Transmission Service will not be adjusted for any Short-Distance Discounts or for any modifications on a non-firm basis in determining the Scheduling, System Control, and Dispatch Service Billing Factor.

The Billing Factor for the rate specified in Section 1.b.(2) for Hourly Non-Firm Service will be the Reserved Capacity, and the following will apply:

(1) If the need for curtailment is caused by conditions on the FCRTS, the Billing Factor will be as follows:

(A) If Hourly Non-Firm PTP Transmission Service is curtailed or interrupted before the close of the hourly non-firm scheduling window, the Billing Factor will be the Reserved Capacity minus the curtailed capacity.

(B) If Hourly Non-Firm PTP Transmission Service is curtailed or interrupted after the close of the hourly non-firm scheduling window, the Billing Factor will be the Transmission Customer's actual schedule in the hour.

(2) If the need for curtailment is caused by conditions on another transmission provider's transmission system, the Billing Factor will be the Reserved Capacity.

These Billing Factors apply to all PTP transmission service under the OATT regardless of whether the Transmission Customer actually uses (schedules) the transmission.

b. Network Integration Transmission Service

For Transmission Customers taking Network Integration Transmission Service, the Billing Factor for the rate specified in Section 1.a. will equal the NT rate Billing Factor determined pursuant to Section III of the Network Integration Rate Schedule (NT-26).

c. Adjustment for Customers Subject to the Unauthorized Increase Charge (UIC)

For Transmission Customers taking Point-to-Point Transmission Service (PTP, IS, and IM rate schedules) that are subject to a UIC in a billing month, the Billing Factor for the billing month will be the Billing Factor calculated above plus the UIC Billing Factor calculated pursuant to Section II.F.2 of the GRSPs.

B. Reactive Supply And Voltage Control From Generation Sources Service

The rates below apply to Transmission Customers taking Reactive Supply and Voltage Control from Generation Sources (GSR) Service from BPA. These rates apply to both firm and non-firm transmission service. Transmission arrangements on the Network, the Southern Intertie, and the Montana Intertie are each charged separately for Reactive Supply and Voltage Control from Generation Sources Service.

1. Rates

The rates for GSR Service will be calculated for each quarter, beginning October 2025, according to the formulas below. The rates will be posted on BPA's website and updated as needed. Rates for Long-Term PTP and NT Service and for Short-Term Monthly, Weekly and Daily Service (Sections a. and b.(1), below) will be calculated to three decimal places. Rates for Hourly Service (Section b.(2), below) will be calculated to two decimal places.

a. Long-Term Firm PTP Transmission Service and NT Service

The rate, in dollars per kilowatt per month ($/kW/mo), will not exceed:

$$\frac{4(N_q + U_{q-1} + Z_{q-1})}{bd - 4S_q}$$

Where:

bd = 554,369 MW= Average of forecasted FY 2026, FY 2027, and FY 2028 GSR Service billing determinants. Each annual billing determinant is the sum of the 12 monthly billing determinants.

N_q = Non-federal GSR cost ($) to be paid by BPA under a FERC-approved rate during the relevant quarter, as anticipated prior to the quarter.

U_{q-1} = Payments of non-federal GSR cost ($) made in the preceding quarter(s) that were not included in the effective rate for the preceding quarter(s). Any refunds received by BPA would reduce this cost. U_{q-1} is a true-up for any deviation of non-federal GSR costs from the amount used in a previous quarter's GSR rate calculation. For calculating the GSR rate effective October 1, 2025, U_{q-1} is zero.

S_q = Reduction in effective billing demand (MW-mo) for approved self-supply of reactive during the relevant quarter, as anticipated prior to the quarter.

Z_{q-1} = True-up ($) for under- or overstatement of reactive self-supply in rate calculations for the preceding quarter(s). For calculating the GSR rate effective October 1, 2025, Z_{q-1} is zero. Z_{q-1} will be calculated by multiplying the under- or overstated megawatt amount of self-supply by the GSR rate that was effective during the quarter of self-supply deviation.

"Relevant quarter" refers to the three-month period for which the rate is being determined.

b. Short-Term Firm and Non-Firm PTP Transmission Service

(1) Monthly, Weekly, and Daily Firm and Non-firm Service

For each reservation, the rates will not exceed:

(A) Days 1 through 5 ($/kW/day)

$$\text{Long-Term Service Rate} * \frac{12 \text{ months}}{52 \text{ weeks} * 5 \text{ days}}$$

(B) Day 6 and beyond ($/kW/day)

$$\text{Long-Term Service Rate} * \frac{12 \text{ months}}{52 \text{ weeks} * 7 \text{ days}}$$

(2) Hourly Firm and Non-Firm Service (mills/kilowatthour)

The rate will not exceed:

$$\text{Long-Term Service Rate} * \frac{12 \text{ months}}{52 \text{ weeks} * 5 \text{ days} * 16 \text{ hours}}$$

Where:

The "Long-Term Service Rate" specified in the formulas in Sections 1.b.(1)(a) and (b) and Section 1.b.(2), above, is the rate determined in Section 1.a., Long-Term Firm PTP Transmission Service and NT Service, in $/kW/mo.

2. Billing Factors

a. Point-to-Point Transmission Service

For Transmission Customers taking Point-to-Point Transmission Service (PTP, IS, and IM rates), the Billing Factor for each rate specified in Sections 1.b. and 1.c.(1) and for Hourly Firm PTP Transmission Service specified in 1.c.(2) will be the Reserved Capacity, which is the greater of:

(1) the sum of the capacity reservations at the Point(s) of Receipt, or

(2) the sum of the capacity reservations at the Point(s) of Delivery.

The Reserved Capacity for Firm PTP Transmission Service will not be adjusted for any Short-Distance Discount or for any modifications on a non-firm basis in determining the Reactive Supply and Voltage Control from Generation Sources Service Billing Factor.

The Billing Factor for the rate specified in Section 1.b.(2) for Hourly Non-Firm Service will be the Reserved Capacity, and the following will apply:

(1) If the need for curtailment is caused by conditions on the FCRTS, the Billing Factor will be as follows:

(A) If Hourly Non-Firm PTP Transmission Service is curtailed or interrupted before the close of the hourly non-firm scheduling window, the Billing Factor will be the Reserved Capacity minus the curtailed capacity.

(B) If Hourly Non-Firm PTP Transmission Service is curtailed or interrupted after the close of the hourly non-firm scheduling window, the Billing Factor will be the Transmission Customer's actual schedule in the hour.

(2) If the need for curtailment is caused by conditions on another transmission provider's transmission system, the Billing Factor will be the Reserved Capacity.

These Billing Factors apply to all PTP transmission services under the OATT regardless of whether the Transmission Customer uses (schedules) the transmission.

b. Network Integration Transmission Service

For Transmission Customers taking Network Integration Transmission Service, the Billing Factor for the rate specified in Section 1.a. will equal the NT rate Billing Factor determined pursuant to Section III of the Network Integration Rate Schedule (NT-26).

c. Adjustment for Self-Supply

The Billing Factors in Sections 2.a. and 2.b. above may be reduced as specified in the Transmission Customer's Service Agreement to the extent the Transmission Customer demonstrates to BPA's satisfaction that it can self-provide Reactive Supply and Voltage Control from Generation Sources Service.

d. Adjustment for Customers Subject to the Unauthorized Increase Charge (UIC)

For Transmission Customers taking Point-to-Point Transmission Service (PTP, IS, and IM rate schedules) that are subject to a UIC in a billing month, the Billing Factor for the billing month will be the Billing Factor calculated above plus the UIC Billing Factor calculated pursuant to Section II.F.2 of the GRSPs.

C. Regulation And Frequency Response Service

The rate below for Regulation and Frequency Response (RFR) Service applies to Transmission Customers serving loads in the BPA Control Area. RFR Service is the continuous balancing of resources with load by providing the generation capability to follow the moment-to-moment variations of loads in the BPA Control Area and maintain the power system frequency at 60 Hz in conformance with NERC and WECC reliability standards.

1. Rate

The rate will not exceed 0.43 mills per kilowatthour.

2. Billing Factor

The Billing Factor is the customer's total load in the BPA Control Area, in kilowatthours.

D. Energy Imbalance Service (Tariff Schedule 4)

The rates below apply to Transmission Customers taking EI Service from BPA when such services are provided pursuant to Schedule 4 of the BPA Tariff.

EI Service under Schedule 4 is taken when there is a difference between scheduled and actual energy delivered to a load in the BPA Control Area during a scheduling period. Accounting for hourly schedules will be on an hourly basis, and accounting for intra-hour schedules will be on the customer's shortest scheduling period in the hour.

1. Rates

a. Imbalances Within Deviation Band 1

Deviation Band 1 applies to deviations that are less than or equal to a) ± 1.5 percent of the scheduled amount of energy, or b) ± 2 MW, whichever is larger in absolute value. BPA will maintain deviation accounts showing the net EI (the sum of positive and negative deviations from schedule for each period) for Heavy Load Hour (HLH) and Light Load Hour (LLH) periods. Return energy may be scheduled at any time during the month to bring the deviation account balances to zero at the end of each month. BPA will approve the hourly schedules of return energy. The customer shall make the arrangements and submit the schedule for the balancing transaction.

The following rates will be applied when a deviation balance remains at the end of the month:

(1) When the monthly net energy (determined for HLH and LLH periods) taken by the Transmission Customer is greater than the energy scheduled, the charge is BPA's incremental cost based on the applicable average HLH and average LLH incremental cost for the month.

(2) When the monthly net energy (determined for HLH and LLH periods) taken by the Transmission Customer is less than the energy scheduled, the credit is BPA's incremental cost based on the applicable average HLH and LLH incremental cost for the month.

b. Imbalances Within Deviation Band 2

Deviation Band 2 applies to the portion of the deviation a) greater than ± 1.5 percent of the scheduled amount of energy or b) ± 2 MW,

whichever is larger in absolute value, up to and including ± 7.5 percent of the scheduled amount of energy or c) ± 10 MW, whichever is larger in absolute value.

(1) When energy taken by the Transmission Customer in a schedule period is greater than the energy scheduled, the charge is 110 percent of BPA's incremental cost.

(2) When energy taken by the Transmission Customer in a schedule period is less than the scheduled amount, the credit is 90 percent of BPA's incremental cost.

c. Imbalances Within Deviation Band 3

Deviation Band 3 applies to the portion of the deviation a) greater than ± 7.5 percent of the scheduled amount of energy, or b) greater than ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

(1) When energy taken by the Transmission Customer in a schedule period is greater than the energy scheduled, the charge is 125 percent of BPA's highest incremental cost that occurs during that day. The highest daily incremental cost will be determined separately for HLH and LLH.

(2) When energy taken by the Transmission Customer in a schedule period is less than the scheduled amount, the credit is 75 percent of BPA's lowest incremental cost that occurs during that day. The lowest daily incremental cost will be determined separately for HLH and LLH.

2. Other Rate Provisions

a. BPA Incremental Cost

BPA's incremental cost will be based on an hourly energy index in the Pacific Northwest. If no adequate hourly index exists, an alternative index will be used. BPA will post the name of the index to be used on its OASIS website at least 30 days prior to its use. BPA will not change the index more often than once per year unless BPA determines that the existing index is no longer a reliable price index.

For any hour(s) that the energy index is negative, no credit is given for positive deviations (actual energy delivered is more than scheduled).

b. Spill Conditions

For any day that the Federal System is in a Spill Condition, no credit is given for negative deviations (actual energy delivered is less than scheduled) for any period of that day.

If the energy index is negative in any hour that the Federal System is in a Spill Condition:

(1) For negative deviations (energy taken is less than the scheduled energy) within Band 1, no credit will begiven.

(2) For negative deviations (energy taken is less than the scheduled energy) within Band 2, the charge is the energy index for that hour.

(3) For negative deviations (energy taken is less than the scheduled energy) within Band 3, the charge is the energy index for that hour.

c. Persistent Deviation

Transmission Customers taking EI Service will be subject to the Persistent Deviation Penalty Charge pursuant to GRSP II.M.2.

E. Operating Reserve – Spinning Reserve Service

The rates below apply to Transmission Customers taking Operating Reserve – Spinning Reserve Service from BPA, and to generators in the BPA Control Area for settlement of energy deliveries. Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. BPA will determine the Transmission Customer's Spinning Reserve Requirement in accordance with applicable NERC, WECC, and NWPP standards.

1. Rates

a. For customers that elect to purchase Operating Reserve –Spinning Reserve Service from BPA, the rate will not exceed 13.14 mills per kilowatthour.

b. For customers that are required to purchase Operating Reserve – Spinning Reserve Service from BPA because they defaulted on their self-supply or third-party supply obligations, the rate will be 15.11 mills per kilowatthour.

Energy delivered will be settled as Generator Imbalance pursuant to ACS IV.A.2, except that the charges will not be less than zero.

If energy is provided through the NWPP Reserve Sharing Program or its successor, the generator will purchase the energy at the market index described in the NWPP Reserve Sharing Agreement.

2. Billing Factors

a. The Billing Factor for the rates specified in Sections 1.a. and 1.b. is the Transmission Customer's Spinning Reserve Requirement determined in accordance with applicable NERC, WECC and NWPP standards. BPA will post on its Current Transmission Rates website the Spinning Reserve Requirement.

b. The Billing Factor for energy delivered when Spinning Reserve Service is called upon is the energy delivered, in kilowatthours.

F. Operating Reserve – Supplemental Reserve Service

The rates below apply to Transmission Customers taking Operating Reserve – Supplemental Reserve Service from BPA and to generators in the BPA Control Area for settlement of energy deliveries. Supplemental Reserve Service is available within a short period of time to serve load in the event of a system contingency. BPA will determine the Transmission Customer's Supplemental Reserve Requirement in accordance with applicable NERC, WECC, and NWPP standards.

1. Rates

a. For customers that elect to purchase Operating Reserve – Supplemental Reserve Service from BPA, the rate will not exceed 6.75 mills per kilowatthour.

b. For customers that are required to purchase Operating Reserve – Supplemental Reserve Service from BPA because they defaulted on their self-supply or third-party supply obligations, the rate will be 7.76 mills per kilowatthour.

Energy delivered will be settled as Generator Imbalance pursuant to ACS IV.A.2, except that the charges will not be less than zero.

If energy is provided through the NWPP Reserve Sharing Program or its successor, the generator will purchase the energy at the market index described in the NWPP Reserve Sharing Agreement.

The Transmission Customer shall be responsible for the settlement of delivered energy associated with interruptible imports. The generator will be responsible for the settlement of delivered energy associated with generation in the BPA Control Area.

2. Billing Factors

a. The Billing Factor for the rates specified in Sections 1.a. and 1.b. is the Transmission Customer's Supplemental Reserve Requirement determined in accordance with applicable NERC, WECC and NWPP standards. BPA will post on its Current Transmission Rates website the Supplemental Reserve Requirement.

b. The Billing Factor for energy delivered when Supplemental Reserve Service is called upon is the energy delivered, in kilowatthours.

SECTION III. CONTROL AREA SERVICE RATES

A. Regulation And Frequency Response Service

The rate below applies to all loads in the BPA Control Area that are receiving RFR Service from the BPA Control Area, and such RFR Service is not provided for under a BPA transmission agreement. RFR Service is the continuous balancing of resources with load by providing the generation capability to follow the moment-to-moment variations of loads in the BPA Control Area and maintain the power system frequency at 60 Hz in conformance with NERC and WECC reliability standards.

1. Rate

The rate will not exceed 0.43 mills per kilowatthour.

2. Billing Factor

The Billing Factor is the customer's total load in the BPA Control Area, in kilowatthours.

B. Generation Imbalance Service (Schedule 9)

The rates below apply to generation resources in the BPA Control Area if Generation Imbalance (GI) Service is provided for in an interconnection agreement or other arrangement. The rates below will apply when such services are provided pursuant to Schedule 9 of the BPA Tariff.

GI Service under Schedule 9 is taken when there is a difference between scheduled and actual energy delivered from generation resources in the BPA Control Area during a scheduling period. Accounting for hourly schedules will be on an hourly basis, and accounting for intra-hour schedules will be on the customer's shortest scheduling period in the hour.

1. Rates

a. Imbalances Within Deviation Band 1

Deviation Band 1 applies to deviations that are less than or equal to a) ± 1.5 percent of the scheduled amount of energy, or b) ± 2 MW, whichever is larger in absolute value. BPA will maintain deviation accounts showing the net GI (the sum of positive and negative deviations from schedule for each period) for Heavy Load Hour(HLH) and Light Load Hour (LLH) periods. Return energy may be scheduled at any time during the month to bring the deviation account balances to zero at the end of each month. BPA will approve the hourly schedules of return energy. The customer shall make the arrangements and submit the schedule for the balancing transaction.

The following rates will be applied when a deviation balance remains at the end of the month:

(1) When the monthly net energy (determined for HLH and LLH periods) delivered from a generation resource is less than the energy scheduled, the charge is BPA's incremental cost based on the applicable average HLH and average LLH incremental cost for the month.

(2) When the monthly net energy (determined for HLH and LLH periods) delivered from a generation resource is greater than the energy scheduled, the credit is BPA's incremental cost based on the applicable average HLH and LLH incremental cost for the month.

b. Imbalances Within Deviation Band 2

Deviation Band 2 applies to the portion of the deviation a) greater than ± 1.5 percent of the scheduled amount of energy or b) ± 2 MW, whichever is larger in absolute value, up to and including c) ± 7.5 percent of the scheduled amount of energy or d) ± 10 MW, whichever is larger in absolute value.

(1) When energy delivered in a schedule period from the generation resource is less than the energy scheduled, the charge is 110 percent of BPA's incremental cost.

(2) When energy delivered in a schedule period from the generation resource is greater than the scheduled amount, the credit is 90 percent of BPA's incremental cost.

c. Imbalances Within Deviation Band 3

Deviation Band 3 applies to the portion of the deviation i) greater than ± 7.5 percent of the scheduled amount of energy, or ii) greater than ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

(1) When energy delivered in a schedule period from the generation resource is less than the energy scheduled, the charge is 125 percent of BPA's highest incremental cost that occurs during that day. The highest daily incremental cost will be determined separately for HLH and LLH.

(2) When energy delivered in a schedule period from the generation resource is greater than the scheduled amount, the credit is 75 percent of BPA's lowest incremental cost that occurs during that day. The lowest daily incremental cost will be determined separately for HLH and LLH.

2. Other Rate Provisions

a. BPA Incremental Cost

BPA's incremental cost will be based on an hourly energy index in the Pacific Northwest. If no adequate hourly index exists, an alternative index will be used. BPA will post the name of the index to be used on its OASIS website at least 30 days prior to its use. BPA will not change the index more often than once per year unless BPA determines that the existing index is no longer a reliable price index.

For any hour(s) that the energy index is negative, no credit is given for positive deviations (actual generation less than scheduled).

b. Spill Conditions

For any day that the Federal System is in a Spill Condition, no credit is given for negative deviations (actual generation greater than scheduled) for any period of that day.

If the energy index is negative in any hour that the Federal System is in a Spill Condition:

(1) For negative deviations (actual generation greater than scheduled) within Band 1, no credit will be given.

(2) For negative deviations (actual generation greater than scheduled) within Band 2, the charge is the energy index for that hour.

(3) For negative deviations (actual generation greater than scheduled) within Band 3, the charge is the energy index for that hour.

c. No Credit for Negative Deviations During Curtailments

No credit is provided for negative deviations (actual generation greater than schedules) during scheduling periods when a schedule from a generator is curtailed.

d. Exemptions from Deviation Band 3

The following resources are not subject to Deviation Band 3:

(1) wind resources
(2) solar resources
(3) new generation resources undergoing testing before commercial operation for up to 90 days

Unless otherwise stated in this Section 2, all deviations greater than ± 1.5 percent or ± 2 MW will be charged consistent with Section 1.b., Imbalances Within Deviation Band 2.

C. Operating Reserve – Spinning Reserve Service

Operating Reserve – Spinning Reserve Service must be purchased by a party with generation in the BPA Control Area that is receiving this service from BPA and such Spinning Reserve Service is not provided for under a BPA transmission agreement. Service is being received if there are no other qualifying resources providing this required reserve service in conformance with NERC, WECC, and NWPP standards. BPA will determine the Control Area Service Customer's Spinning Reserve Requirement in accordance with applicable NERC, WECC, and NWPP standards.

1. Rates

a. For customers that elect to purchase Operating Reserve – Spinning Reserves from BPA, the rate will not exceed 13.14 mills per kilowatthour.

b. For customers that are required to purchase Operating Reserve – Spinning Reserve Service from BPA because they defaulted on their self-supply or third-party supply obligations, the rate will be 15.11 mills per kilowatthour.

Energy delivered will be settled as Generator Imbalance pursuant to ACS IV.A.2, except that the charges will not be less than zero.

If energy is provided through the NWPP Reserve Sharing Program or its successor, the generator shall purchase the energy at the market index described in the NWPP Reserve Sharing Agreement.

2. Billing Factors

a. The Billing Factor for the rates specified in Sections 1.a. and 1.b. is the Spinning Reserve Requirement determined in accordance with applicable NERC, WECC and NWPP standards. BPA will post on its Current Transmission Rates website the Spinning Reserve Requirement.

b. The Billing Factor for energy delivered when Spinning Reserve Service is called upon is the energy delivered, in kilowatthours.

D. Operating Reserve – Supplemental Reserve Service

Operating Reserve – Supplemental Reserve Service must be purchased by a party with generation in the BPA Control Area that is receiving this service from BPA, and such Supplemental Reserve Service is not provided for under a BPA transmission agreement. Service is being received if there are no other qualifying resources providing this required reserve service in conformance with NERC, WECC, and NWPP standards. BPA will determine the Control Area Service Customer's Supplemental Reserve Requirement in accordance with applicable NERC, WECC, and NWPP standards.

1. Rates

a. For customers that elect to purchase Operating Reserve – Supplemental Reserve Service from BPA, the rate will not exceed 6.75 mills per kilowatthour.

b. For customers that are required to purchase Operating Reserve – Supplemental Reserve Service from BPA because they defaulted on their self-supply or third-party supply obligations, the rate will be 7.76 mills per kilowatthour.

Energy delivered will be settled as Generator Imbalance pursuant to ACS IV.A.2, except that the charges will not be less than zero.

If energy is provided through the NWPP Reserve Sharing Program or its successor, the generator shall purchase the energy at the market index described in the NWPP Reserve Sharing Agreement.

2. Billing Factors

a. The Billing Factor for the rates specified in Sections 1.a. and 1.b. is the Supplemental Reserve Requirement determined in accordance with applicable NERC, WECC and NWPP standards. BPA will post on its Current Transmission Rates website the Supplemental Reserve Requirement.

b. The Billing Factor for energy delivered when Supplemental Reserve Service is called upon is the energy delivered, in kilowatthours.

E. Variable Energy Resource Balancing Service

1. Applicability

The rates contained in this rate schedule apply to all wind and solar generating facilities of 200 kW nameplate rated capacity or greater in the BPA Control Area except as provided in Section 2.c. of this rate schedule.

Variable Energy Resource Balancing Service (VERBS) is comprised of two components: regulating reserves (which compensate for moment-to-moment differences between generation and load) and non-regulating reserves (which compensate for larger differences occurring over longer periods of time during the hour). VERBS is required to help maintain the power system frequency at 60 Hz and to conform to NERC and WECC reliability standards.

2. Balancing Service

The total charge for VERBS is the applicable rate in Section 2.a. or 2.b., below, plus Formula Balancing Capacity Charges under Section 3, Direct Assignment Charges under Section 4, and Intentional Deviation Penalty Charges under Section 5.

a. VERBS Rates For Wind Resources

Customers taking VERBS will receive BPA's Variable Energy Resource forecast and submit schedules that are consistent with the signal or that result in less imbalance for the scheduling period.

(A)	Regulating Reserves	$0.43 per kilowatt per month
(B)	Non-Regulating Reserves	$0.20 per kilowatt per month

b. VERBS Rates For Solar Resources

Customers taking VERBS will receive BPA's Variable Energy Resource forecast and submit schedules that are consistent with the signal or that result in less imbalance for the scheduling period.

(A)	Regulating Reserves	$1.04 per kilowatt per month
(B)	Non-Regulating Reserves	$0.11per kilowatt per month

c. Billing Factor

The Billing Factor for rates in Section 2.a and 2.b is as follows:

(1) For each plant, or phase of a plant, that has completed installation of all units no later than the 15th of the month prior to the billing month, the billing factor in kilowatts will

be the greater of the maximum one-hour generation or the nameplate of the plant. A unit has completed installation when it has generated and delivered power to the BPA system.

(2) For each plant, or phase of a plant, for which some but not all units have been installed by the 15th day of the month prior to the billing month, the billing factor will be the maximum measured hourly output of the plant through the 15th day of the prior month in kilowatts.

(3) For each plant, or phase of a plant, where none of the units have been installed on or before the 15th of the month prior to the billing month, but some units have been installed before the start of the billing month, the billing factor will bezero.

d. Exceptions

(1) The rates under Section 2.a and 2.b above will not apply to a Variable Energy Resource, or portion of a Variable Energy Resource, that, in BPA's determination, has put in place, tested, and successfully implemented in conformance to the criteria specified in BPA business practices, no later than the 15th day of the month prior to the billing month, the Dynamic Transfer of plant output out of BPA's BAA to another BAA.

(2) Individual rate components under Sections 2.a and 2.b above will not apply to a Variable Energy Resource, or portion of a Variable Energy Resource, that, in BPA's determination, has put in place, tested, and successfully implemented in conformance to criteria specified in BPA business practices, no later than the 15th day of the month prior to the billing month, self-supply of that component of VERBS, including by contractual arrangements for third-party supply.

3. Formula Balancing Capacity Charges

BPA will apply the Balancing Charge to customers to recover the cost of acquiring balancing reserve capacity beyond planned FCRPS capacity.

a. Balancing Charge for Customers

$$Bal.Charge = Cost\ x\ \frac{Indv.Bal.Bill}{Total.Bal.Bills}$$

Where:

Bal.Charge	Balancing Charge – The individual customer's monthly charge for acquiring balancing reserve capacity beyond planned FCRPS capacity.
Cost	Total monthly cost of purchasing or producing balancing reserve capacity beyond planned FCRPS capacity.
Indv.Bal.Bill	Individual Balancing Bill – The sum of an individual customer's monthly charges for services pursuant to ACS.III.E.2.a and ACS.III.E.2.b.
Total.Bal.Bills	Total Balancing Bills – The sum of all monthly charges for services pursuant to ACS.III.E.2.a and ACS.III.E.2.b.

4. Direct Assignment Charges

BPA shall directly assign to the customer the cost of incremental balancing reserve capacity purchases that are necessary to provide VERBS to the customer if:

a. the customer elected to self-supply in accordance with Section 2.d. but is unable to self-supply one or more components to VERBS; or

b. the customer has a projected generator interconnection date after FY 2028, but chooses to interconnect during the FY 2026-2028 rate period; or

c. the customer elected to dynamically transfer its resource out of BPA's BAA, but the resource remains in the BPA BAA after the date specified in the customer election.

When determining the balancing reserve capacity requirement for a resource subject to direct assignment charges, BPA will round the incremental increase down to the nearest whole megawatt.

Customers that are subject to direct assignment charges will be billed for all costs incurred above $0.162 per kilowatt-day for any incremental balancing reserve capacity acquisitions. Customers billed for direct assignment charges will also be billed at the applicable VERBS rate in Section 2.

5. Intentional Deviation Penalty Charge

Customers taking VERBS under this rate schedule are subject to the Intentional Deviation Penalty Charge specified in GRSP II.L.

F. Dispatchable Energy Resource Balancing Service

The rate below applies to all Dispatchable Energy Resources of 3 MW nameplate rated capacity or greater in the BPA Control Area except as provided in Section 3 below. Dispatchable Energy Resource Balancing Service (DERBS) is required to help maintain the power system frequency at 60 Hz and to conform to NERC and WECC reliability standards.

The total charge for DERBS is the charge determined by applying the rates in Section 1 below, plus Direct Assignment Charges in Section 4 below.

1. DERBS Rates

The rates for DERBS will not exceed:

(1)	Incremental Reserves	40.71 mills per kW maximum hourly deviation
(2)	Decremental Reserves	1.38 mills per kW maximum hourly deviation

2. Billing Factors

a. The hourly billing factor for use of Incremental Reserves is the maximum of the absolute value of the five-minute average negative Station Control Error (under-generation), including ramp periods, that exceeds 3 MW for that hour. When BPA is in the EIM, negative Station Control Error for DERBS billing factors will be based on the measurement value used for determining Uninstructed Imbalance Energy (UIE).

b. The hourly billing factor for use of Decremental Reserves is the maximum of the five-minute average positive Station Control Error (over-generation), including ramp periods, that exceeds 3 MW forthat hour. When BPA is in the EIM, positive Station Control Error for DERBS billing factors will be based on the measurement value used for determining UIE.

3. Exceptions

a. This rate will not apply to a Dispatchable Energy Resource, or portion of a Dispatchable Energy Resource, that, in BPA's determination, has put in place, tested, and successfully implemented no later than the 15th day of the month prior to the billing month the Dynamic Transfer of plant output out of BPA's BAA to another BAA.

b. This rate will not apply to a Dispatchable Energy Resource, or

portion of a Dispatchable Energy Resource, for any schedule period in which the Dispatchable Energy Resource has called on contingency reserve.

c. This rate will not apply to a Dispatchable Energy Resource, or portion of a Dispatchable Energy Resource, for any hour in which the Dispatchable Energy Resource has been ordered by BPA or a host utility within BPA's BAA to generate at a level different from the schedule or generation estimate that the Dispatchable Energy Resource submitted to BPA for any schedule period during that hour.

d. Five-minute average station control periods where system frequency deviates by more than 68 megahertz (mHz) will be excluded from determining the maximum positive (decremental) or negative (incremental) value of five-minute station control error for the hour.

4. Direct Assignment Charges

BPA shall directly assign to the customer the cost of incremental balancing reserve capacity purchases that are necessary to provide DERBS to the customer if:

a. the customer elected to self-supply but is unable to self-supply DERBS; or

b. a customer has a projected generator interconnection date after FY 2028 but chooses to interconnect during the FY 2026-2028 rate period;

c. a customer operating in another BAA chooses to dynamically transfer into the BPA BAA during the FY 2026-2028 rate period; or

d. the customer elected to dynamically transfer its resource out of BPA's BAA but the resource remains in the BPA BAA after the date specified in the customer election.

When determining the balancing reserve capacity requirement for a resource subject to direct assignment charges, BPA will round the incremental increase down to the nearest whole megawatt.

Customers that are subject to direct assignment charges will be billed for all costs incurred above $0.162 per kilowatt-day for any incremental balancing reserve capacity acquisitions. Customers billed for direct assignment charges will also be billed at the DERBS rates in Section 1.

5. Persistent Deviation

Transmission Customers taking DERBS will be subject to the Persistent Deviation Penalty Charge pursuant to GRSP II.M.1.

G. New Generation Technology Pilot Program

A customer and BPA may jointly develop a pilot program at the individual generation project level to integrate new technology such as fuel cells or to integrate new uses of technology such as a solar project coupled with a co-located battery. The goal of the pilot is to determine the balancing reserve capacity a new technology needs, or, for a generator co-located with a battery, to reduce the combined project's balancing reserve capacity burden placed on the BPA BAA. In place of any normally applicable RFR, VERBS or DERBS rates, BPA will instead directly assign the cost of balancing reserve capacity to the pilot project customer in accordance with the following reserve capacity rate components:

1.	Regulating INC Reserves	$0.317 per kilowatt-day
2.	Non-Regulating INC Reserves	$0.162 per kilowatt-day
3.	Regulating DEC Reserves	$0.007 per kilowatt-day

These rates are applied to the balancing reserve capacity BPA determines is needed for the pilot (not the installed nameplate of the project). For the co-located generator and battery, the total rate shall not exceed the total cost of the normally applicable RFR, VERBS, or DERBS rates. On a monthly basis, BPA shall revisit the amount of balancing reserves required for the project based on actual operational data for that project. All other rates required for the project will apply. A customer participating in a pilot program may still be subject to any applicable Intentional Deviation or Persistent Deviation penalties.

SECTION IV. ENERGY IMBALANCE MARKET SERVICES AND RATES

The rates below will apply when Energy Imbalance (EI) and Generation Imbalance (GI) services are provided pursuant to Tariff Schedules 4E and 9E of the BPA Tariff.

Capitalized terms not otherwise defined by this section will have the meaning set forth in the BPA Tariff.

A. Imbalance Charges – Tariff Schedules 4E And 9E

1. Energy Imbalance Service (Schedule 4E) (EIM)

a. EI Service

A Transmission Customer shall be charged or paid for EI Service measured as the deviation of the Transmission Customer's metered load compared to the load component of the Transmission Customer Base Schedule (as determined pursuant to Section 4.2.4 of Attachment Q of the BPA Tariff) settled as UIE for the period of the deviation at the applicable hourly Load Aggregation Point (LAP) price where the load is located as determined by the MO under Section 29.11(b)(3)(C) of the MO Tariff.

Transmission Customers taking EI Service will be subject to the Persistent Deviation Penalty Charge for UIE pursuant to GRSP II.M.2.

b. Temporary Contingency Rate

In the event of a temporary contingency requiring corrective action under Section 10.3.1(1) of Attachment Q to the BPA Tariff, where the MO requests an alternative price under Section 29.7(j)(2)(D) of the MO Tariff, BPA shall request the MO settle the deviation using an available energy index in the Pacific Northwest.

2. Generation Imbalance Service (Schedule 9E) (EIM)

a. GI Service When No Schedule Changes Occur to Resource After T-57.

Except as provided for in Section 2.b. below, Transmission Customer shall be charged or paid for GI Service measured as the deviation of the Transmission Customer's metered generation compared to the resource component of the Transmission Customer Base Schedule settled as UIE for the period of the deviation at the applicable PNode RTD price where the generator is located, as determined by the MO under Section 29.11(b)(3)(B) of the MO Tariff.

b. GI Service When Changes Occur To Resource Schedule After T-57

For Transmission Customers that have received a Manual Dispatch or EIM Available Balancing Capacity dispatch, or if the scheduled output of a resource changes after T-57, the following provisions will apply:

(1) GI – Uninstructed Imbalance Energy Charges/Credits

(A) UIE/RTD (Metered Gen - Scheduled Output at RTD)

A Transmission Customer shall be charged or paid for GI Service measured as the deviation of the Transmission Customer's metered generation compared to the Manual Dispatch amount, the EIM Available Balancing Capacity dispatch amount, or the scheduled output of a resource incorporated by the MO in RTD, settled as UIE for the period of the deviation at the applicable PNode RTD price where the generator is located, as determined by the MO under Section 29.11(b)(3)(B) of the MO Tariff.

Transmission Customers taking GI Service will be subject to the Persistent Deviation Penalty Charge for UIE pursuant to GRSP II.M.1.

(2) GI – Instructed Imbalance Energy Charges/Credits

(A) FMM-IIE (Scheduled Output at FMM - TCBS)

A Transmission Customer shall be charged or paid for GI Service measured as the deviation of the Manual Dispatch amount, the EIM Available Balancing Capacity dispatch amount, or the scheduled output of a resource incorporated by the MO in the FMM (FMM Schedule), compared to the resource component of the Transmission Customer Base Schedule, settled as IIE for the period of the deviation at the applicable PNode FMM price where the generator is located, as determined by the MO in Section 29.11(b)(1)(A)(ii) of the MO Tariff; or

(B) RTD-IIE (Scheduled Output at RTD –FMM)

A Transmission Customer shall be charged or paid for GI Service measured as the deviation of the Manual Dispatch amount, the EIM Available Balancing Capacity dispatch amount, or the scheduled output of a resource incorporated by the MO in RTD, compared to the FMM Schedule, as IIE for the period of the deviation at the applicable PNode RTD price where the generator is located, as determined by the MO under Section 29.11(b)(2)(A)(ii) of the MO Tariff.

(C) Intrachange Imbalance Adjustment.

If a Transmission Customer elects to receive Intrachange Imbalance pursuant to the BPA EIM Business Practice, then the FMM-IIE and RTD-IIE associated with such Intrachange will be settled with the resource in accordance with Section IV.B.2 of this section.

c. Non-EIM Balancing Rate

In addition to the charges or payments under ACS IV.A.2, a Transmission Customer shall be charged or paid for GI Service, if any component of the Transmission Customer Base Schedule used by the MO for settlement differs from the components of the Transmission Customer Base Schedule submitted to the BPA EIM entity. The rate for Non-EIM Balancing shall be the same PNode RTD price used to calculate charges under ACS IV.A.2 for the same time period.

d. Temporary Contingency Rate

In the event of a temporary contingency requiring corrective action under Section 10.3.1(1) of Attachment Q to the BPA Tariff, where the MO requests an alternative price under Section 29.7(j)(2)(D) of the MO Tariff, BPA shall request the MO settle the deviation using an available energy index in the Pacific Northwest.

B. Interchange And Intrachange Imbalance

1. Interchange Imbalance

Interchange Imbalance is assessed when deviations occur between the Interchange portion of a Transmission Customer's Base Schedule and the schedule value at the applicable Fifteen-Minute Market (FMM) or Real-Time Dispatch (RTD) market interval. Transmission Customers with Interchange Imbalance will be assessed IIE at either the FMM Locational Marginal Price (LMP), the RTD LMP, or both, depending upon when the changes to the Transmission Customer's Interchange are incorporated by the MO into the applicable EIM market run. Interchange Imbalance will be calculated as follows:

a. Calculation of Interchange Imbalance – FMM-IIE

A Transmission Customer shall be charged or paid for Interchange Imbalance measured as the deviation of the Interchange portion of the Transmission Customer's Base Schedule compared to the Interchange schedule incorporated by the MO in the FMM (FMM Schedule). Such imbalance will be settled as FMM-IIE for the period of the deviation at the applicable PNode FMM price where the Interchange is located, as determined by the MO under Section 29.11(b)(1)(A)(ii) of the MO Tariff.

b. Calculation of Interchange Imbalance – RTD-IIE

A Transmission Customer shall be charged or paid for Interchange Imbalance measured as the deviation of the FMM Schedule compared to the Interchange schedule incorporated by the MO in the RTD. Such imbalance will be settled as RTD-IIE for the period of the deviation at the applicable PNode RTD price where the Interchange is located, as determined by the MO under Section 29.11(b)(2)(A)(ii) of the MO Tariff.

2. Intrachange Imbalance

Intrachange Imbalance is assessed when deviations occur between the Intrachange portion of a Transmission Customer's Base Schedule and the Transmission Customer's Intrachange schedule at an applicable FMM or RTD market interval. BPA will assess Intrachange Imbalance when requested by Power Services or a Transmission Customer and upon meeting the requirements in the BPA EIM Business Practice. Intrachange Imbalance will be assessed IIE at either the FMM LMP, the RTD LMP, or both, depending upon when the changes to the Transmission Customer's Intrachange occurs.

Intrachange Imbalance will be calculated as follows:

a. Calculation of Intrachange Imbalance – FMM-IIE

A Transmission Customer shall be charged or paid for Intrachange Imbalance measured as the deviation of the Intrachange portion of the Transmission Customer's Base Schedule compared to the Transmission Customer's Intrachange schedule at the applicable FMM interval (FMM Schedule). Such imbalance will be settled as FMM-IIE for the period of the deviation at the applicable PNode FMM price where the source resource responsible for the Intrachange is located, as determined by the MO under Section 29.11(b)(1)(A)(ii) of the MO Tariff.

b. Calculation of Intrachange Imbalance – RTD-IIE

A Transmission Customer shall be charged or paid for Intrachange Imbalance measured as the deviation of the FMM Schedule compared to the Transmission Customer's Intrachange schedule at the applicable RTD interval. Such imbalance will be settled as RTD-IIE for the period of the deviation at the applicable PNode RTD price where the source resource responsible for the Intrachange is located, as determined by the MO under Section 29.11(b)(2)(A)(ii) of the MO Tariff.

c. Adjustment to IIE Settlement for Source Resource Responsible for an Intrachange

The source resource responsible for an Intrachange will be charged or paid an amount of Intrachange Imbalance that exactly offsets the Intrachange Imbalance paid or charged the Transmission Customer under Sections IV.B.2.a and b above.

d. Applicability to Interchange

Power Services or a Transmission Customer may elect to have an Interchange Imbalance settlement adjusted in the same manner as an Intrachange Imbalance by making such election pursuant to the BPA EIM Business Practice.

C. Charges For Under-Scheduling or Over-Scheduling Load

1. Under-Scheduling Load

Any charges to the BPA EIM entity pursuant to Section 29.11(d)(1) of the MO Tariff for under scheduling load will be assigned to the Transmission Customers subject to Schedule 4 based on each Transmission Customer's respective under-scheduling imbalance ratio share, which is the ratio of the Transmission Customer's under-scheduled load imbalance amount relative to all other Transmission Customers' under-scheduled load imbalance amounts who have under-scheduled load for the Operating Hour, expressed as a percentage.

2. Over-Scheduling Load

Any charges to the BPA EIM entity pursuant to Section 29.11(d)(2) of the MO Tariff for overscheduling load will be assigned to the Transmission Customers subject to Schedule 4 based on each Transmission Customer's respective over-scheduling imbalance ratio share, which is the ratio of the Transmission Customer's over-scheduled load imbalance amount relative to all other Transmission Customers' over-scheduled load imbalance amounts who have over-scheduled load for the Operating Hour, expressed as a percentage.

3. Distribution Of Under-Scheduling Or Over-Scheduling Proceeds

Any payment to the BPA EIM Entity pursuant to Section 29.11(d)(3) of the MO Tariff will be distributed to Transmission Customers on the basis of EIM Metered Demand whose daily average absolute Schedule 4E UIE is less than 5 percent or 2 MW (whichever is greater) of its daily average schedule. For those Transmission Customers that qualify to receive proceeds, the proceeds will be allocated based on a ratio of each Transmission Customer's daily average EIM Metered Demand relative to aggregate daily average EIM Metered Demand of all other Transmission Customers' who are eligible to receive proceeds for that day.

D. EIM Neutrality And Uplift Charges And Credits

1. EIM BAA Real-Time Market Neutrality (Real-Time Imbalance Energy Offset EIM)

Any charges to the BPA EIM entity pursuant to Section 29.11(e)(3) of the MO Tariff for EIM BAA real-time market neutrality will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.

2. EIM Entity BAA Real-Time Congestion Offset

Any charges to the BPA EIM entity pursuant to Section 29.11(e)(2) of the MO Tariff for the EIM real-time congestion offset will be allocated to Transmission Customers on the basis of EIM Measured Demand.

3. EIM Entity Real-time Marginal Cost of Losses Offset

Any charges to the BPA EIM entity pursuant to Section 29.11(e)(4) of the MO Tariff for real-time marginal cost of losses offset will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.

4. EIM Entity Real-Time Greenhouse Gas Cost Offset

Any charges to the BPA EIM entity pursuant to Section 29.11(e)(5) of the MO Tariff for real-time greenhouse gas cost offset will be sub-allocated to Transmission Customers on the basis of EIM Metered Demand.

5. EIM Transfer Revenue

Any charges to the BPA EIM entity pursuant to Section 29.11(e)(6) of the MO Tariff for EIM Transfer Revenue will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.

6. EIM Neutrality Settlement (Other Neutrality Adjustments)

Any charges to the BPA EIM Entity pursuant to Section 29.11(e)(7) of the MO Tariff for EIM neutrality settlement will be sub-allocated as follows:

Description	Allocation
Neutrality Adjustment (monthly and daily)	EIM Measured Demand
Rounding Adjustment (monthly and daily)	EIM Measured Demand

7. Real-Time Unaccounted For EIM Energy Settlement (UFE)

Any charges to the BPA EIM entity pursuant to Section 29.11(c) of the MO Tariff for UFE will be sub-allocated to Transmission Customers on the basis of EIM Measured Demand.

E. Flexible Ramping Product

Any charges to the BPA EIM Entity pursuant to Section 29.11(p) of the MO Tariff for the Flexible Ramping Product will be allocated to Transmission Customers based on EIM Measured Demand.

F. Real-Time Bid Cost Recovery

Any charges or payments to the BPA EIM Entity pursuant to Section 29.11(f) of the MO Tariff for EIM real-time bid cost recovery will be allocated to Transmission Customers based on EIM Measured Demand.

G. Rolled In Charges

All other charges or credits assessed by the MO to the BPA EIM entity that are not otherwise allocated by this Section IV will be rolled in and recovered through base Transmission rates.

H. Other Charges and Provisions

1. MO Tax Liabilities

Any charges to the BPA EIM entity pursuant to Section 29.22(a) of the MO Tariff for MO tax liability as a result of the EIM will be sub-allocated to those Transmission Customers triggering the tax liability.

2. Market Validation and Price Correction

If the MO modifies the BPA EIM entity settlement statement in accordance with the MO's market validation and price correction procedures in the MO Tariff, the BPA EIM entity reserves the right to make corresponding or similar changes to the charges and payments suballocated under this Section IV.

SECTION V. ADJUSTMENTS, CHARGES, AND OTHER RATE PROVISIONS

A. Rate Adjustment Due to FERC Order Under FPA § 212

Customers taking service under this rate schedule are subject to the Rate Adjustment Due to FERC Order under FPA § 212 specified in GRSP II.C.

B. Rate Adjustment for Transmission Cost Recovery Adjustment Clause, Transmission Reserves Distribution Clause, and Transmission Financial Reserves Policy Surcharge

Customers taking Scheduling, System Control, and Dispatch Service under this rate schedule are subject to the Transmission Cost Recovery Adjustment Clause (CRAC), the Transmission Reserves Distribution Clause (RDC), and the Transmission Financial Reserves Policy (FRP) Surcharge, specified in GRSPs II.G, II.H, and II.I.