(section III.A), metered requirements purchasers, and those purchasers not covered by section III.A (section III.B).

# A. Computed Requirements Purchasers

Purchasers designated by BPA as computed requirements purchasers pursuant to power sales contracts shall be billed in accordance with the provisions of this section.

#### 1. Billing Demand

The billing demand for actual, planned, and contracted computed requirements purchasers shall be the higher of the billing factors "a" and "b," below:

- a. The lower of:
- (1) The larger of the Computed Peak Requirement or the Computed Average Energy Requirement; or
- (2) The Measured Demand, before adjustment for power factor.
  - b. The lower of:
- (1) The Computed Peak Requirement; or
- (2) 60 percent of the highest Computed Peak Requirement during the previous 11 billing months (Ratchet Demand).

## 2. Billing Energy

The billing energy for actual, planned, and contracted computed requirements purchasers shall be:

- a. For the months September through March, the sum of:
- (1) 55 percent of the Measured Energy; and
- (2) 45 percent of the Computed Energy Maximum.
- b. For the months April through August, the sum of:
- (1) 43 percent of the Measured Energy; and
- (2) 57 percent of the Computed Energy Maximum.

# B. Metered Requirements Purchasers and Other Purchasers Not Covered by Section III.A, Above

Purchasers designated as metered requirements customers and purchasers taking power under this rate schedule who are not otherwise covered by section III.A shall be billed as follows:

## 1. Billing Demand

The billing demand shall be the Measured Demand as adjusted for power factor, unless otherwise specified in the power sales contract. However, purchasers who previously used the Firm Energy rate schedule, FE–2, either in the computation of their power bills or in the determination of the value of an exchange account, shall not be charged for demand under this rate schedule.

# 2. Billing Energy

The billing energy shall be the Measured Energy, unless otherwise specified in the power sales contract.

# Section IV. Adjustments and Special Provisions

# A. 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 GRSPs. 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 1 percentage point for each percentage point or major fraction thereof (0.5 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.

## B. Irrigation Discount

BPA shall apply an irrigation discount, equal to 4.90 mills per kilowatt-hour, to the charges for qualifying energy purchased under this rate schedule. The discount shall apply only to energy purchased during the billing months of April through October. Eligibility for the irrigation discount and reporting requirements shall be determined pursuant to section III.C.4 of the GRSPs.

#### C. Conservation Surcharge

The Conservation Surcharge shall be applied in accordance with section III.C.6 of the GRSPs and subsequent to any other rate adjustments.

#### D. Unauthorized Increase

BPA shall apply the charge for Unauthorized Increase to any purchaser of New Resource Firm Power taking demand and/or energy in excess of its contractual entitlement.

- 1. Rate for Unauthorized Increase
- a. 100.00 mills per kilowatt-hour during billing months August through March.
- b. 57.40 mills per kilowatt-hour during billing months April through July.
- 2. Calculation of the Unauthorized Increase

Each 60-minute clock-hour integrated or scheduled demand shall be considered separately in determining the amount which may be considered an unauthorized increase. BPA shall first determine the amount of unauthorized increase related to demand and shall then treat any remaining unauthorized increase as energy-related.

#### a. Unauthorized Increase in Demand

That portion of any Measured Demand during Peak Period hours, before adjustment for power factor, that exceeds the demand which the purchaser is contractually entitled to take during the billing month and that cannot be assigned:

(1) To a class of power which BPA delivers on such hour pursuant to contracts between BPA and the purchaser; or

(2) To a type of power which the purchaser acquires from sources other than BPA and which BPA delivers during such hour, shall be billed:

(a) In accordance with the provisions of the "Relief from Overrun" exhibit to the power sales contract; or

(b) If such exhibit does not apply or is not a part of the purchaser's power sales contract, at the rate for Unauthorized Increase, based on the amount of energy associated with the excess demand.

#### b. Unauthorized Increase in Energy

The amount of Measured Energy during a billing month that exceeds the amount of energy which the purchaser is contractually entitled to take during that month and that cannot be assigned:

- (1) To a class of power that BPA delivers during such month pursuant to contracts between BPA and the purchaser; or
- (2) To a type of power that the purchaser acquires from sources other than BPA and that BPA delivers during such month, shall be billed:
- (a) In accordance with the provisions of the "Relief from Overrun" exhibit to the power sales contract, or
- (b) As unauthorized increase if such exhibit does not apply or is not a part of the purchaser's power sales contract.

#### E. Coincidental Billing Adjustment

Purchasers of New Resource Firm Power who are billed on a coincidental basis and who have diversity charges or diversity factors specified in their power sales contracts shall have their charges for billing demand adjusted according to the provisions of section III.C.5 of the GRSPs. Computed requirements purchasers are not subject to the Coincidental Billing Adjustment for scheduled power.

## F. Outage Credit

Pursuant to section 7 of the General Contract Provisions, BPA shall provide