an outage credit to any purchaser for those hours for which BPA is unable to deliver the full billing demand during the billing month due to an outage on the facilities used by BPA to deliver New Resource Firm Power. Such credit shall not be provided if BPA is able to serve the purchaser's load through the use of alternative facilities or if the outage is for less than 30 minutes. The amount of the credit shall be calculated according to the provisions of section III.C.2 of the GRSPs.

# G. Energy Return Surcharge

Any purchaser who preschedules in accordance with sections 2(a)(4) and 2(c)(2) of Exhibit E of the Power Sales contract and who returns, during a single offpeak hour, more than 60 percent of the difference between that purchaser's billing demand and estimated computed average energy requirement for the billing month shall be subject to the following surcharge for each additional kilowatt-hour so returned:

1. 4.25 mills per kilowatt-hour for the months of April through October; and 2. 1.80 mills per kilowatt-hour for the

# months of November through March. Section V. Resource Cost Contribution

BPA has made the following determinations:

A. The approximate cost contribution of different resource categories to the NR-95 rate is 89.7 percent Exchange and 10.3 percent New Resources.

B. The forecasted average cost of resources available to BPA under average water conditions is 19.80 mills per kilowatt-hour.

C. The forecasted cost of resources to meet load growth is 60.64 mills per kilowatt-hour.

## Schedule NF-95

## **Nonfirm Energy Rate**

# Section I. Availability

This schedule is available for the purchase of nonfirm energy to be used both inside and outside the United States including sales under the Western Systems Power Pool (WSPP) agreements and sales to consumers. This schedule also applies to energy delivered for emergency use under the conditions set forth in section V.A of the General Rate Schedule Provisions (GRSPs). BPA is not obligated to offer nonfirm energy to any purchaser that results in displacement of firm power purchases under BPA's Power Sales Contracts. The offer of nonfirm energy under this schedule shall be determined by BPA. Schedule NF-95 supersedes Schedule NF-93, which went into effect

on October 1, 1993. Sales under this schedule are made subject to BPA's GRSPs.

#### **Section II. Rates**

The average cost of nonfirm energy is 23.31 mills per kilowatt-hour. The NF–95 rate schedule provides for upward and downward pricing flexibility from this average nonfirm energy cost. All rates and any subsequent adjustments contained in this rate schedule shall not exceed in total the NF Rate Cap defined in section IV.C of the GRSPs.

#### A. Standard Rate

The Standard rate is any offered rate not to exceed 27.97 mills per kilowatthour.

## B. Market Expansion Rate

The Market Expansion rate is any offered rate below the Standard rate in effect. BPA may have one or more Market Expansion rates in effect simultaneously.

#### C. Incremental Rate

The Incremental rate is the Incremental Cost of energy plus 2.00 mills per kilowatt-hour, where the Incremental Cost is defined as all identifiable costs (expressed in mills per kilowatt-hour) that BPA would have avoided had it not produced or purchased the energy being sold under this rate.

#### D. Contract Rate

The Contract rate is 14.83 mills per kilowatt-hour of billing energy.

## **Section III. Adjustments to Rates**

#### A. Guaranteed Delivery Surcharge

A surcharge of 2.00 mills per kilowatthour of billing energy is applied to guaranteed delivery of nonfirm energy under the Standard rate and Market Expansion rate.

# B. Intertie Charge

The Intertie Charge, on rate offers under any of the rates specified above, for sales of nonfirm energy scheduled for delivery over the Pacific Northwest-Pacific Southwest Intertie shall be:

1. Inapplicable for rate offers of less than 23.31 mills per kilowatt-hour;

2. At the discretion of BPA, from zero through 3.23 mills per kilowatt-hour, for rate offers of 23.31 mills per kilowatt-hour.

3. 3.23 mills per kilowatt-hour, for rate offers greater than 23.31 mills per kilowatt-hour.

#### **Section IV. Billing Factors**

The billing energy for nonfirm energy purchased under this rate schedule shall

be the Measured Energy unless otherwise specified by contract.

# Section V. Application and Eligibility

Any time that BPA has nonfirm energy for sale, the Standard rate, the Market Expansion rate, the Incremental rate, the Contract rate, or a combination of these rates may be in effect.

#### A. Standard Rate

The Standard rate:

- 1. Is available for all purchases of nonfirm energy; and
- 2. Applies to nonfirm energy purchased pursuant to the Relief from Overrun Exhibit to the power sales contract.

## B. Market Expansion Rate

1. Application of the Market Expansion Rate

The Market Expansion rate applies when BPA determines that all markets at the Standard rate have been satisfied and BPA offers additional nonfirm energy.

2. Market Expansion Rate Qualification Criteria

In order to purchase nonfirm energy at the Market Expansion rate, a purchaser must:

- a. Have a displaceable resource, displaceable purchase of electricity, or
- b. Be an end-user load with a displaceable alternative fuel source.

In addition, a purchaser must demonstrate one of the following:

- a. Shutdown or reduction of the output of the displaceable resource in an amount equal to the amount of Market Expansion rate energy purchased; or
- b. Reduction of a displaceable purchase and the output of the resource associated with that purchase, in an amount equal to the amount of Market Expansion rate energy purchased; or
- c. Shutdown or reduction of the identified output of the resource(s) indirectly in an amount equal to the amount of Market Expansion rate energy purchased (for example, the purchase may be used to run a pumped storage unit); or
- d. Decrease of an end-user alternate fuel source in an amount equivalent to the amount of Market Expansion rate energy purchased.
- 3. Eligibility Criteria for Market Expansion Rate
- a. When only one Market Expansion rate is offered:

Purchasers qualifying under section V.B.2 who purchased nonfirm energy directly from BPA are eligible to purchase power under the Market Expansion rate offered if the decremental cost of the qualifying