2. Integration of Resources (IR-96)

The IR service is a flexible transmission service that may be used to integrate multiple resources and transmit non-Federal power to multiple points of delivery on the FCRTS Network facilities. The IR-96 rate is structured as a postage-stamp (independent of distance) rate. The proposed IR-96 rate schedule continues to include the Short-Distance Discount, an exception to the postage stamp rate design for contractually specified points of integration. The IR rate has traditionally included both demand and energy charges; BPA is proposing that the IR-96 rate be a demand-only rate.

3. Network Integration (NT-96)

Network Integration transmission service allows customers to serve their load located in the PNW region. The proposed NT-96 rate is designed to conform generally with the pricing provisions of the FERC NOPR Network Integration tariff. The proposed NT–96 rate includes a Network demand charge that is applied to a customer's total retail load occurring at the hour of the monthly BPA transmission system peak, with a credit for the utility's transmission facilities. For customers with 1981 contracts, the Network charge will be applied to power delivered under those contracts on the hour of the monthly BPA transmission peak and no credit is given for customer transmission facilities. The rate schedule also includes delivery charges for customers served over Utility or DSI Delivery facilities. The NT rate also provides for a charge or credit to compensate for redispatching of resources. The NT rate will apply to BPA full requirements customers; partial requirements customers may elect either Network Integration Transmission service using the NT rate or Point to Point Transmission service using the Point to Point rate (see below). Residential Purchase and Sale Agreement purchasers shall take service under the 2-year NT rate.

4. Point-to-Point (PTP-96)

Point-to-Point transmission service allows customers to serve their retail load and/or transactions with third parties and off-system sales over the Network. BPA also will apply this rate for sale to, and purchases for, its own customers which are not native load customers. The proposed PTP–96 rate is designed to conform generally with the pricing provisions of the FERC NOPR Point-to-Point tariff. The proposed PTP–96 rate includes a Network demand charge that is applied to the greater of:

(1) the sum of the monthly Point of Integration Transmission Demands; or (2) the sum of the monthly Point of Delivery Transmission Demands. The PTP rate may apply to firm transmission service of 1 month or longer. The rate schedule also includes delivery charges for customers served over Utility or DSI Delivery facilities.

5. Energy Transmission (ET-96)

The ET rate applies to firm service of less than a month and to nonfirm service over FCRTS facilities excluding the Interties. The rate may be used for service taken under the Point-to-Point tariff. The firm rate is a take-or-pay energy charge. The nonfirm rate is specified as a cap with flexibility below that level.

6. Southern Intertie (IS-96), Northern Intertie (IN-96), and Eastern Intertie (IE-96)

The IS rate and IN rate are available for service over those respective facilities. The rates are structured similarly: a nonfirm energy-only rate; and a firm rate with separate demand and energy components. The nonfirm rates are specified as a cap with flexibility below those levels. The IE rate is available for nonfirm transmission on the Eastern Intertie and is structured as an energy-only rate with downward flexibility.

7. Market Transmission (MT-96)

BPA is continuing the MT rate unchanged, except for the addition of the Reactive Power Charge. This rate schedule was developed for use among Western Systems Power Pool (WSPP) participants and allows for flexible hourly, daily, weekly, and monthly charges.

8. Use of Facilities Transmission (UFT-96) and Townsend-Garrison Transmission (TGT-96)

The UFT-96 and TGT-96 rate schedules are formula rates that are being proposed unchanged from the current rates. The UFT rate recovers the annual cost of identified facilities over which specific wheeling transactions occur. The TGT rate is a contract rate that recovers the cost of the Montana (Eastern) Intertie.

9. Advance Funding (AF-96)

The proposed AF rate allows BPA to collect the capital and related costs of specified BPA-owned transmission facilities through advance payment. Such facilities could include interconnection and resource integration facilities, and upgrades or reinforcements to the FCRTS. Following

commercial operation of the specified facilities, a true-up of estimated costs with actual costs would occur.

10. Reservation Fee for Transmission Capacity and Reactive Power Charge

The proposed Reservation Fee is included in the firm transmission rate schedules for application to customers who enter into a contract with BPA for new or increased firm transmission service on the FCRTS and want to postpone the commencement of such service while maintaining the availability of transmission capacity. Payment of the Reservation Fee for Transmission Capacity would allow a customer to postpone service for a year at a time for up to 5 years. This proposed Reservation Fee is modeled on the one in FERC's Point-to-Point tariff. The proposed Reactive Power Charge is included in BPA's transmission rate schedules as well as BPA's power rate schedules, and charges customers for their reactive power requirements by point of delivery and points of interconnection.

E. Transmission Rate Schedules

Schedule FPT-96.2—Formula Power Transmission Rate

Section I. Availability

This schedule supersedes schedule FPT-95.1 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once a year. It is available for firm transmission of non-Federal power using the Main Grid and/or Secondary System of the Federal Columbia River Transmission System. This schedule is for full-year and partial-year service and for either continuous or intermittent service when firm transmission service is required. Service under this schedule is subject to BPA's General Rate Schedule Provisions. Bills shall be rendered and payments due pursuant to BPA's Billing Procedures.

Section II. Rate

The monthly charge shall be A or B.

A. Embedded Cost

1. Full-Year Service

The monthly charge per kilowatt of Billing Demand shall be one-twelfth of the sum of the Main Grid Charge and the Secondary System Charge, as applicable and as specified in the agreement.

a. Main Grid Charge: The Main Grid Charge per kilowatt of Billing Demand shall be the sum of one or more of the following component factors as specified in the agreement: