designated pursuant to 1996 Contracts and computed peak requirements pursuant to 1981 Contracts) that correspond to the current billing month.

2. Opportunity Cost

The billing factor(s) for the rate in section II.A.2. shall be specified in the Agreement.

B. Delivery Charge

The monthly Billing Demand for the charges specified in section II.B. shall be the Measured Demand that occurs during the hour of the Monthly Transmission Peak Load at the Points of Delivery specified in BPA's Segmentation Study as Utility Delivery or DSI Delivery facilities.

At those Points of Delivery that do not have meters capable of determining the demand on the hour of the Monthly Transmission Peak Load, the Billing Demand shall equal the highest hourly peak demand during the billing month at the Point of Delivery multiplied by 0.76.

Section IV. Other Provisions

A. Reactive Power Charge

Customers taking service under this rate schedule are subject to the Reactive Power Charge specified in section II.N. of the General Rate Schedule Provisions.

B. Ancillary Services

Ancillary services that may be required to support PTP transmission service are available under the APS rate schedule.

C. PTP Unauthorized Transmission Increase Charge

Customers who exceed their monthly Point of Integration (POI) or Point of Delivery (POD) Transmission Demand on any hour shall be subject to the PTP Unauthorized Transmission Increase Charge.

1. Rate

\$15.63 per kilowatt of Billing Demand.

2. Billing Factor

The Billing Demand shall be the number of kilowatts that exceeds the monthly Transmission Demand at any POI or POD, or exceeds the sum of monthly POI or POD Transmission Demands, on any hour.

D. Reservation Fee for Transmission Capacity

Customers who request new or increased firm transmission service under this rate schedule and want to reserve transmission capacity to accommodate such service are subject to

the Reservation Fee for Transmission Capacity specified in section II.O. of the General Rate Schedule Provisions.

E. Direct Assignment Facilities

BPA shall collect the capital and related costs of a Direct Assignment Facility under the Advance Funding (AF) rate or the Use-of-Facilities (UFT) rate. Associated costs, including but not limited to operations, maintenance, and general plant costs, also shall be recovered from the Point-to-Point Firm Transmission customer under an applicable rate schedule.

F. Redispatch

When BPA determines that capacity constraints may be relieved more economically through redispatching the system rather than by building new facilities or upgrading existing facilities to eliminate such constraints, the customer taking Point-to-Point Transmission Service shall be responsible for such costs to the extent consistent with FERC policy.

G. Rates Applicable to PTP Service

The rates specified in section II are applicable to service over available transmission capacity. Customers requesting new or increased firm service that would require BPA to construct Network Upgrades to alleviate a capacity constraint may be subject to incremental cost rates for such service if incremental cost is higher than embedded cost. Incremental cost rates would be developed pursuant to section 7(i) of the Northwest Power Act.

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

If, after review by FERC, this rate schedule, as initially submitted to FERC, is modified to satisfy the standards of section 212(i)(1)(B)(ii) of the Federal Power Act (16 U.S.C. 824k(i)(1)(B)(ii)) for FERC-ordered transmission service, then such modifications shall automatically apply to this rate schedule for non-section 212(i)(1)(B)(ii) transmission service. The modifications for non-section 212(i)(1)(B)(ii) transmission service, as described above, shall be effective, however, only prospectively from the date of the final FERC order granting final approval of this rate schedule for FERC-ordered transmission service pursuant to section 212(i)(1)(B)(ii). No refunds shall be made or additional costs charged as a consequence of this prospective modification for any nonsection 212(i)(1)(B)(ii) transmission service that occurred under this rate schedule prior to the effective date of such prospective modification.

Schedule ET-96—Energy Transmission Rate

Section I. Availability

This schedule supersedes ET-95 and is available for transmission service between points within the Pacific Northwest using Federal Columbia River Transmission System (FCRTS) facilities excluding the Southern Intertie, Eastern Intertie, and Northern Intertie. This rate is available for transmission of Federal and non-Federal power for firm transmission service of less than one calendar month duration and for nonfirm transmission service. Terms and conditions of Energy Transmission service are specified in the Point-to-Point Service Tariff. This schedule is available for transmission service of a similar nature 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. Bills shall be rendered and payments due pursuant to BPA's Billing Procedures.

Section II. Rate

The charge shall be A or B.

A. Firm

- 1. Embedded Cost
 - 2.44 mills per kilowatt-hour.

2. Opportunity Cost

For applications for new firm service or increases in current firm service, Opportunity Costs may be charged if those costs are higher than the rates in section II.A.1.

B. Nonfirm

The charge shall not exceed 2.44 mills per kilowatt-hour.

Section III. Billing Factors

The Billing Energy for the charge specified in section II.A.1. shall be the Contract Energy.

The Billing Energy for the rate in section II.A.2. shall be specified in the agreement.

The Billing Energy for charges under section II.B. shall be the monthly sum of scheduled kilowatt-hours.

Section IV. Other Provisions

A. Ancillary Services

Ancillary services that may be required to support ET transmission service are available under the APS rate schedule.