

costs; (3) allowance for BPA's general administrative costs which are appropriately allocable to such facilities; and (4) payments made pursuant to section 7(m) of Public Law 96-501 with respect to these facilities. Total Annual Costs shall be adjusted to reflect reductions to unpaid total costs as a result of any amounts received, under agreements for firm transmission service over the Montana Intertie, by the government on account of any reduction in Transmission Demand, termination or partial termination of any such agreement or otherwise to compensate BPA for the unamortized investment, annual cost, removal, salvage, or other cost related to such facilities.

B. NFR = Nonfirm Revenues, which are equal to: (1) the product of the Nonfirm Transmission Charge described in II(A) above, and the total nonfirm energy transmitted over the Townsend-Garrison line segment under such charge for such month; plus (2) the product of the Nonfirm Transmission Charge and the total nonfirm energy transmitted in either direction by the Government over the Townsend-Garrison line segment for such month.

C. CR = Capacity Requirement of a customer on the Townsend-Garrison 500-kV transmission facilities as specified in its firm transmission agreement.

D. TCR = Total Capacity Requirement on the Townsend-Garrison 500-kV transmission facilities as calculated by adding (1) the sum of all Capacity Requirements (CR) specified in transmission agreements described in section I; and (2) the Government's firm capacity requirement. The Government's firm capacity requirement shall be no less than the total of the amounts, if any, specified in firm transmission agreements for use of the Montana Intertie.

E. EC = Exchange Credit for each customer which is the product of: (1) the ratio of investment in the Townsend-Broadview 500-kV transmission line to the investment in the Townsend-Garrison 500-kV transmission line; and (2) the capacity which the Government obtains in the Townsend-Broadview 500-kV transmission line through exchange with such customer. If no exchange is in effect with a customer, the value of EC for such customer shall be zero.

F. *General Rate Schedule Provisions (GRSPs)*: This section contains the combined GRSPs for power and transmission rates. The GRSPs contain detailed descriptions of all adjustments, charges, and special rate provisions, and definitions of products and services and of rate schedule terms:

Section I Adoption of Revised Rate Schedules and General Rate Schedule Provisions

Section II Adjustments, Charges, and Special Rate Provisions

Section III Definitions

Section I. Adoption of Revised Rate Schedules and General Rate Schedule Provisions

A. Approval of Rates

These 1996 wholesale power and transmission rate schedules and General Rate Schedule Provisions (GRSPs) shall become effective upon interim approval or upon final confirmation and approval by the Federal Energy Regulatory Commission (FERC). Bonneville Power Administration (BPA) has requested that FERC make these rates and GRSPs effective on October 1, 1996, for customers who are billed by BPA on a calendar month basis and on the first day of the first billing month following that date for all other customers. All rate schedules shall remain in effect until they are replaced or expire on their own terms.

B. General Provisions

These 1996 wholesale power and transmission rate schedules and the GRSPs associated with these schedules supersede BPA's 1995 rate schedules (which became effective October 1, 1995) to the extent stated in the Availability section of each rate schedule. These schedules and GRSPs shall be applicable to all BPA contracts, including contracts executed both prior to, and subsequent to, enactment of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act). All sales under these rate schedules are subject to the following acts as amended: the Bonneville Project Act, the Regional Preference Act (Pub. L. 88-552), the Federal Columbia River Transmission System Act (Pub. L. 93-454), the Northwest Power Act (Pub. L. 96-501), and the Energy Policy Act of 1992 (Pub. L. 102-486).

These 1996 rate schedules do not supersede any previously established rate schedule which is required, by agreement, to remain in effect.

C. Notices

For the purpose of determining elapsed time from "receipt" of a notice applicable to rate schedule and GRSP administration, a notice shall be deemed to have been received at 0000 hours on the first calendar day following actual receipt of the notice.

Section II. Adjustments, Charges, and Special Rate Provisions

A. Conservation Surcharge (PF/NR only)

The Conservation Surcharge, where implemented, shall be applied in accordance with relevant provisions of the Northwest Power Act, BPA's current conservation surcharge policy, and the customer's Power Sales Contract with BPA. The PF and NR rate schedules are subject to the Conservation Surcharge. If a portion of the customer's service area is subject to the surcharge, then the amount of the surcharge shall equal 10 percent of the total charge for all PF and NR power purchases multiplied by the ratio of: (a) the Purchaser's total retail load that is subject to the surcharge; and (b) the customer's total retail load.

The Conservation Surcharge shall be applied monthly and shall equal 10 percent of the customer's total monthly charge for any portion of power purchased under each rate schedule subject to the surcharge. The level of the residential surcharge will be determined by dividing the customer's residential load not covered by a BPA-approved Model Conservation Standards (MCS) residential plan by the customer's total retail load, rounding the result to the nearest one-tenth of a percent and multiplying the resulting percentage by 0.10. The level of the commercial surcharge will be determined by dividing the customer's commercial load not covered by a BPA-approved MCS commercial plan by the customer's total retail load, rounding the result to the nearest one-tenth of a percent and multiplying the resulting percentage by 0.10. The residential or commercial surcharge (one or the other, but not both for any one customer) will be applied to all power purchases and/or exchanges made by the customer under the applicable rate schedules, using the Council's surcharge methodology, and will be applied subsequent to any other rate adjustment.

B. Cost Contributions

BPA has made the following resource cost determinations:

1. The forecasted average cost of resources available to BPA under average water conditions is 22.56 mills per kilowatt-hour.

2. The approximate cost contribution of different resource categories to each rate schedule is as follows: