

resource, purchase, or qualifying alternative fuel source is lower than the Standard rate in effect plus 2.0 mills per kilowatt-hour.

Purchasers qualifying under section V.B.2 who purchase nonfirm energy through a third party are eligible to purchase power under the Market Expansion rate offered if the cost of the qualifying alternative fuel source is lower than the Standard rate in effect plus 4.0 mills per kilowatt-hour.

b. When more than one Market Expansion rate is offered:

Purchasers qualifying under section V.B.2 who purchase nonfirm energy directly from BPA are eligible to purchase power under the Market Expansion rate if the decremental cost of the qualifying resource, purchase, or qualifying alternative fuel source is lower than the Standard rate in effect plus 2.00 mills per kilowatt-hour. The rate applicable to a purchaser shall be the highest Market Expansion rate offered that is below the purchaser's qualifying decremental cost minus 2.00 mills per kilowatt-hour.

Purchasers qualifying under section V.B.2 who purchase nonfirm energy through a third party are eligible to purchase power under the Market Expansion rate if the decremental cost of the qualifying alternative fuel source is lower than the Standard rate plus 4.00 mills per kilowatt-hour. The rate applicable to a purchaser shall be the highest Market Expansion rate offered that is below purchaser's qualifying decremental cost minus 4.0 mills per kilowatt-hour.

C. Incremental Rate

The Incremental rate applies to sales of energy:

1. That is produced or purchased by BPA concurrently with the nonfirm energy sale;
2. That BPA may at its option not produce or purchase; and
3. That has an Incremental Cost greater than the Standard rate (plus the Intertie Charge, if applicable) less 2.00 mills per kilowatt-hour.

D. Contract Rate

The Contract rate applies to contracts (except power sales contracts offered pursuant to sections 5(b), 5(c), and 5(g) of the Northwest Power Act) that refer to the Contract rate:

1. For the sale of nonfirm energy; or
2. For determining the value of energy.

E. Western Systems Power Pool Transactions (WSPP)

BPA may make available nonfirm energy for transactions under the WSPP

agreement. WSPP sales shall be subject to the terms and conditions specified in the WSPP agreement and shall be consistent with regional and public preference. The rate for transactions under the WSPP agreement is any rate within the limits specified by the Standard, Market Expansion, and Incremental rates but may not exceed the maximum rate specified in the WSPP Agreement. The rate for WSPP sales may differ from the actual rate offered for non-WSPP transactions in any hour. The rate for WSPP transactions is independent of any other rate offered concurrently under this rate schedule outside that agreement.

F. End-User Rate

BPA may agree to a rate or rate formula for nonfirm energy purchases by end-users. Such rate or rate formula shall be within the limits specified for the Standard and Market Expansion rates but may differ from the actual rates offered during any hour.

Section VI. Delivery

A. Rate of Delivery

BPA shall determine the amount of nonfirm energy to be made available for each hour. Such determination shall be made for each applicable nonfirm energy rate.

B. Guaranteed Delivery

1. Availability

BPA will determine the amount and duration of nonfirm energy to be offered on a guaranteed basis. Such daily or hourly amounts may be as small as zero or as much as all the nonfirm energy that BPA plans to offer for sale on such days.

2. Conditions

Scheduled amounts of guaranteed nonfirm energy may not be changed except:

- a. When BPA and the purchaser mutually agree to increase or decrease the scheduled amounts; or
- b. When BPA must reduce nonfirm energy deliveries in order to serve firm loads because of unexpected generation or transmission losses.

Section VII. Resource Cost Contribution

BPA has made the following determinations:

A. The approximate cost contribution of different resource categories to the average cost of nonfirm energy is 92.7 percent FBS and 7.3 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 SS-95

Share-the-Savings Rate

Section I. Availability

This rate schedule is available for the contract purchase of Nonfirm Energy under an experimental rate and is limited to the term of the rate experiment. Nonfirm Energy will be made available under this rate schedule for use both inside and outside the United States for the displacement of a qualifying resource, displaceable purchase of electricity, or end-user load that can be served with alternate fuel sources. This rate schedule is only available to purchasers who execute a contract with BPA specifying use of the Share-the-Savings Rate. 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. Schedule SS-95 supersedes Schedule SS-93, which went into effect on October 1, 1993. Sales under this schedule are made subject to BPA's General Rate Schedule Provisions (GRSPs).

Section II. Rate

The rate shall be a formula rate based solely or in part on decremental cost information submitted by the purchaser. The rate formula and decremental cost, for purposes of establishing charges under this rate schedule, shall be defined in the applicable contract. The rate formula agreed upon by BPA and the purchaser shall in no event result in a rate higher than the NF Rate Cap defined in section IV.C of the GRSPs or lower than 1.00 mill per kilowatt-hour.

Section III. Billing Factor

The billing energy for Nonfirm Energy purchased under this rate schedule shall be the Measured Energy unless otherwise specified in the Share-the-Savings rate contract.

Section IV. Application and Eligibility

A. General Requirements

In order to purchase Nonfirm Energy under the Share-the-Savings Rate, the purchaser must:

1. Have executed a contract specifying application of the Share-the-Savings Rate Schedule, and

2. Have a displaceable resource, displaceable purchase of electricity, or be an end-user load with a displaceable alternate fuel source. End-user loads with alternate fuel sources may not use the Decremental Cost of a displaceable