**Reservation of Rights:** *All draft Provider of Choice (POC) contract language presented by BPA for discussion is subject to ongoing review and revision. Prior to finalizing the POC contract templates, BPA will publish complete contract templates for public review and comment. BPA acknowledges that failure to offer edits or comments on this document does not preclude a stakeholder from offering edits or comments during the formal public review.*

**Definitions**

2.«#» “Shaping Capacity”means as established in section 1.4 of Exhibit C, when applicable. Establishes an hourly range for each month within which a customer may reshape the hourly energy amount of its Block purchase, on a day ahead basis.

2.«#» “Firm Requirements Power” means electric power that BPA sells under this Agreement and makes continuously available to «Customer Name» to meet BPA’s obligations to «Customer Name» under section 5(b) of the Northwest Power Act.

2.«#» “Fiscal Year”means the period beginning each October 1 and ending the following September 30.

2.«#» “Monthly Shaping Factors”means the factors, as stated in section 1.2.1.3 of this exhibit, which BPA shall use to determine the amount of Firm Requirements Power priced at Tier 1 Rates for each month of a Fiscal Year.

2.«#» “Peak Net Requirement” shall have the meaning as defined in section 1.4.1.

*Reviewer’s Note: New Provider of Choice working definition*

2.«#» “Peak Load Variance Service”means a “resource capacity” and “planning-based” service for instances when planned load exceeds expected load forecast values.

2.«#» “Rate Case Year” means the Fiscal Year ending prior to the commencement of a Rate Period. The Rate Case Year immediately follows the Forecast Year and is the year in which the 7(i) Process for the next Rate Period is conducted.

2.«#» “Forecast Year” means the Fiscal Year ending one full year prior to the commencement of a Rate Period.

2.«#» “PLVS Energy” *To be defined in a future draft.*

**Summary of Changes**

This version of Exhibit C, section 1, has been redrafted from Regional Dialogue and includes all the Block options BPA is planning to offer apart from the additional Peak Load Variance Service (PLVS) option that will be shared at a later stage after the final design is completed. This version has been shown in redline to outline the changes from the previous contract.

Under Provider of Choice, BPA is planning to offer multiple options for the Block product. Section 1 of Exhibit C is designed to establish a customer’s elected Block product sequentially for the options listed above. The different options are as follows:

1. Annual Flat Block
2. Diurnally Shaped Monthly Block
3. Flat Monthly Block

There are three types of Block with Shaping Capacity options.

1. Flat Monthly Block with 10% Shaping Capacity
2. Flat Monthly Block with PNR Shaping Capacity
3. Flat Monthly Block with PNR Shaping Capacity and PLVS

Section 14 contains three provisions and penalties referring to the following:

1.  Section 14.3.1: When a customer exceeds or does not meet the maximum and minimum amounts.

2. Section 14.5.1: When a customer does not schedule the Shaping Capacity Amounts.

3. Section 14.7.1: When a customer fails to meet the monthly energy neutrality checks.

The rules on how these three areas will be implemented are not yet finalized and will be added to this section for review at a later time. All penalties will be specified in BPA’s Rate Schedules and GRSPs.

**For December 11 Workshop:**

BPA shared this language at workshop on October 15; the only comments BPA received on the proposed language was in response to the October 31 template release. BPA has included those comments and BPA’s response. BPA has updated language based on the changes to how we establish Net Requirements for planned product customers. This essentially changes the timing of when BPA establishes different Block amounts such as reflected in sections 1.1, 1.2.1.3, 1.3 and 1.4.1-1.4.4.

Section 1.4.1.1 “Billing for Shaping Capacity” has been revised to state the obligation that a customer will have if they elect the Block with Shaping Capacity product.

Throughout this exhibit language has been added to reflect when BPA will update specific amounts in relation to when a customer may have an updated Total Retail Load forecast as stated in section 1.1 of Exhibit A. Language has been updated in sections, 1.1 and 1.4.1 to 1.4.4.

**Exhibit C**

**PURCHASE OBLIGATIONS**

*Include in* ***LOAD FOLLOWING*** *template:*

**1. FIRM REQUIREMENTS POWER AT TIER 1 RATES**

The portion of «Customer Name»’s purchase obligation that is priced at Tier 1 Rates is established in section 8.1(1) of the body of this Agreement.

*END* ***LOAD FOLLOWING*** *template.*

*Include in* ***BLOCK*** *template:*

**1. FIRM REQUIREMENTS POWER AT TIER 1 RATES**

1.1 **Block Power - Annual Average Amount**

The annual average amount of Firm Requirements Power priced at Tier 1 Rates shall equal the lesser of «Customer Name»’s CHWM, or «Customer Name»’s Net Requirement forecast stated in section 1.2 of Exhibit A. By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall fill in the table below with such amounts, rounded to three decimal places, for the upcoming Fiscal Year.

*Drafter’s Note: Leave table blank at contract signing:*

|  |  |
| --- | --- |
| **Annual Tier 1 Block Amounts** | |
| **Fiscal Year** | **Annual Tier 1 Block Amount (aMW)** |
|
| 2029 |  |
| 2030 |  |
| 2031 |  |
| 2032 |  |
| 2033 |  |
| 2034 |  |
| 2035 |  |
| 2036 |  |
| 2037 |  |
| 2038 |  |
| 2039 |  |
| 2040 |  |
| 2041 |  |
| 2042 |  |
| 2043 |  |
| 2044 |  |
| Note: All amounts will be shown as aMW and rounded to three decimal places | |

*Option 1: Include if customer chooses a flat annual Tier 1 block:*

1.2 **Flat Annual Block Shape**

Except for the Shaping Capacity amounts specified in section 1.4 of this exhibit, the amounts of Firm Requirements Power priced at Tier 1 Rates shall be equal in all hours of the year. For each Fiscal Year, the megawatt amounts of such power for each HLH and each LLH shall equal the Average Megawatt amount stated in section 1.1 of this exhibit, rounded to a whole number.

*End Option 1*

*Option 2: Include if customer chooses a Tier 1 block shaped to their Monthly Net Requirement:*

1.2 **Block Shaped to Net Requirement**

The amounts of Firm Requirements Power priced at Tier 1 Rates for each month, and for each HLH and each LLH within each month, are established as follows:

1.2.1 **Monthly Shaping Factors to Determine Amounts for Each Month**

For purposes of this section 1.2, “Monthly Shaping Factors” means the twelve monthly factors on a Rate Period basis, as stated in section 1.2.1.3 of this exhibit, which BPA shall use to determine the amount of Firm Requirements Power priced at Tier 1 Rates for each month of a Fiscal Year. BPA shall determine «Customer Name»’s Monthly Shaping Factors in accordance with section 1.2.1.2 of this exhibit using «Customer Name»’s “monthly load values” and “annual load value” as determined in accordance with section 1.2.1.1 of this exhibit.

1.2.1.1 **Calculation of Monthly and Annual Load Values**

BPA shall calculate «Customer Name»’s “monthly load value” for each month of the year by taking the average of «Customer Name»’s Total Retail Load, expressed in MWh, for the four years prior to the current Forecast Year for the applicable month.

Monthly Load Value =

where:

*TRL monthYear 1* means the Total Retail Load, in MWh, of a given month in the first year of the four-year period prior to the current Forecast Year

*TRL monthYear 2* means the Total Retail Load, in MWh, of a given month in the second year of the four-year period prior to the current Forecast Year

*TRL monthYear 3* means the Total Retail Load, in MWh, of a given month in the third year of the four-year period prior to the current Forecast Year

*TRL monthYear 4* means the Total Retail Load, in MWh, of a given month in the fourth year of the four-year period prior to the current Forecast Year

BPA shall calculate «Customer Name»’s “annual load value” by taking the average of «Customer Name»’s Total Retail Load, expressed in MWh for the four Fiscal Years prior to the current Forecast Year.

Annual Load Value =

Where:

*TRLYear 1* means the Total Retail Load, in MWh, the first year of the four year period prior to the current Forecast Year

*TRLYear 2* means the Total Retail Load, in MWh, the second year of the four year period prior to the current Forecast Year

*TRLYear 3* means the Total Retail Load, in MWh, the third year of the four year period prior to the current Forecast Year

*TRLYear 4* means the Total Retail Load, in MWh, the fourth year of the four year period prior to the current Forecast Year

* + - 1. **Calculation of Monthly Shaping Factors**

BPA shall calculate «Customer Name»’s Monthly Shaping Factors as follows: (1) the “monthly shape numerator” for each month, divided by (2) the “monthly shape denominator”.

Where:

“monthly shape numerator” equals the greater of (1) zero or (2) “monthly load value” for the corresponding month minus the average of «Customer Name»’s Dedicated Resource amounts for that month and for all months within both years of the applicable Rate Period as listed in section 2 of Exhibit A, expressed in MWh; and

“monthly shape denominator” equals (1) the “annual load value,” minus (2) the average of «Customer Name»’s Dedicated Resource amounts for all months within both years of the given Rate Period as listed in section 2 of Exhibit A, expressed in MWh.

1.2.1.3 **Monthly Shaping Factors**

By March 31, 2027 and by March 31 of each Rate Case Year thereafter, BPA shall update the table below with «Customer Name»’s Monthly Shaping Factors calculated in accordance with this section 1.2.1.

*Drafter’s Note: Leave table blank at contract signing:*

|  | **Monthly Shaping Factors** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** | **Total** |
| 2029-2030 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2031-2032 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2033-2034 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2035-2036 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2037-2038 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2039-2040 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2041-2042 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| 2043-2044 |  |  |  |  |  |  |  |  |  |  |  |  | 1.000 |
| Note: Round the factors in the table above to three decimal places. | | | | | | | | | | | | | |

1.2.1.4 **Megawatt-Hour Amounts**

BPA shall calculate the amounts of megawatt-hours priced at a Tier 1 Rate for each month of each Fiscal Year, beginning with FY 2029, as follows: (1) the annual average amount of Firm Requirements Power priced at Tier 1 Rates stated in section 1.1 of this exhibit multiplied by (2) the Monthly Shaping Factor for the corresponding month as specified in section 1.2.1.3 of this exhibit multiplied by (3) the number of hours in the Fiscal Year.

*Sub-Option 1: Include if customer chooses a flat Tier 1 block within each month, includes customers that choose Block with Shaping Capacity:*

1.2.2 **Amounts Within Each Month**

Except for any amounts of Shaping Capacity specified in section 1.4 of this exhibit, the amounts of Firm Requirements Power priced at Tier 1 Rates within each month shall be the same for all hours of the month. The megawatt amounts for each HLH and each LLH shall be the total megawatt-hours in the month established in section 1.2.1.4 of this exhibit divided by the number of hours in the month, rounded to a whole number.

*End Sub-Option 1*

*Sub-Option 2: Include if customer chooses a Tier 1 block that is shaped to their Net Requirement to 60% HLH/40% LLH within each month:*

1.2.2 **Amounts Within Each Month**



BPA shall calculate the megawatt amount of Firm Requirements Power for each HLH of a month, rounded to a whole number, as follows: (1) the monthly MWh amount established according to section 1.2.1.4 multiplied by (2) sixty percent, divided by (3) the HLHs in that month. BPA shall calculate the megawatt amount of Firm Requirements Power for each LLH of a month, rounded to a whole number, as follows: (1) the monthly MWh amount established according to section 1.2.1.4 multiplied by (2) forty percent, divided by (3) the LLHs in that month.

*End Sub-Option 2*

*End Option 2 for Block shaped to Net Requirement*

1.3 **Current Tier 1 Block**

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with whole megawatt amounts of «Customer Name»’s Firm Requirements Power priced at Tier 1 Rates for the upcoming Fiscal Year as established according to sections 1.1 and 1.2 of this exhibit. Due to rounding, the total megawatt-hours calculated from the established megawatt-per-hour amounts in the table below for any Fiscal Year may be slightly different than the megawatt-hours calculated by multiplying the amount stated in section 1.1 of this exhibit by the number of hours in that Fiscal Year.

*Drafter’s Note: Leave table blank at signing: Include for customer opting for Flat monthly block and Block with Shaping Capacity with one monthly value.*

| **Tier 1 Monthly Block Amounts (MW/hr)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Fiscal Year** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** | |
| 2028 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  | |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  | |
| Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour. | | | | | | | | | | | | |

*Drafter’s Note: Leave table blank at signing: Include for customer opting for Diurnal Block option X with HLH/LLH split.*

| **Tier 1 Monthly Block Amounts (MW/hr)** | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Fiscal Year** | **Diurnal Period** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2028 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2029 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 | **HLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| **LLH** |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour. | | | | | | | | | | | | | |

*Option 1: Include if customer did not elect the Block with Shaping Capacity Product option.*

1.4 **Shaping Capacity**

«Customer Name» is not purchasing any amount of Shaping Capacity.

*End Option 1*

*Option 2: Include if customer elects Block with Shaping. This Option in section 1.2.2(1) can only be paired with a flat monthly Block:*

1.4 **Shaping Capacity**

*Sub-Option 1: Include if customer chooses base 10% Shaping Capacity:*

1.4.1 **Amounts of Shaping Capacity**

BPA shall calculate «Customer Name»’s amounts of Shaping Capacity for each month of the Rate Period as follows: (1) «Customer Name»’s Tier 1 Block Amounts for the applicable month of the first year of a Rate Period, as listed in section 1.3 of this exhibit, multiplied by (2) ten percent.

*End of Sub-Option 1.*

*Sub-Option 2: Include if customer chooses PNR based Shaping Capacity:*

1.4.1 **Amounts of Shaping Capacity**

BPA shall calculate «Customer Name»’s amounts of Shaping Capacity for each month of each Fiscal Year as follows: (1) Peak Net Requirements minus (2) Tier 1 Block Amount for a given month. BPA shall calculate Customer Name»’s Peak Net Requirement for each month of each Fiscal Year as follows: (1) Peak TRL minus (2) Dedicated Resource Peaking Capability.



*Shaping Capacity = Peak Net Requirements – Tier 1 Block Amount.*

*Peak Net Requirements = Peak TRL – Dedicated Resources Peaking Capability.*

Where:

“Peak TRL” means peak amount as stated in the annual forecast of monthly Total Retail Load table in section 1.1 of Exhibit A.

For purposes of this section: “Dedicated Resources Peaking Capability” means the sum of «Customer Name»’s Specified Resources monthly Peak amounts, as stated in table(s) in section 2 of Exhibit A, Committed Power Purchase monthly Peak amounts as stated in table(s) in section 3 of Exhibit A, and Dedicated Resources to serve any NLSL monthly Peak amounts as stated in table(s) in section 4 of Exhibit A.

“Tier 1 Block Amount” means the Tier 1 Block amounts for the applicable month of the first year of a Rate Period, as listed in section 1.3 of this exhibit.

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with «Customer Name»’s Peak Net Requirement, in whole megawatts, for each month of the applicable Rate Period.

| **Peak Net Requirement (MW)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: All amounts will be shown as whole megawatts | | | | | | | | | | | | |

*End of Sub-Option 2.*

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with «Customer Name»’s amounts of Shaping Capacity in whole megawatts for each month of the applicable Rate Period.

| **Monthly Shaping Capacity Amounts (MW)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: All amounts will be shown as whole megawatts | | | | | | | | | | | | |

1.4.1.1 **Billing for Shaping Capacity**

«Customer Name» shall pay for the Monthly Shaping Capacity amounts listed in section 1.4.1, that it is obligated to purchase, and that BPA makes available in accordance with section 3.1 of the body of the Agreement at the rates BPA establishes in a 7(i) Process pursuant to the PRDM, as applicable to such power, whether or not «Customer Name» took delivery of such power.

1.4.2 **Maximum Hourly Energy**

The amounts of Firm Requirements Power priced at Tier 1 Rates within each hour shall not exceed the maximum hourly energy scheduled amount for the given month, except for any amounts of Peak Load Variance Service power specified in section 1.4.8 of this exhibit.

BPA shall calculate the maximum hourly energy as follows: (1) the Shaping Capacity for the given month, as listed in section 1.4.1 of this Exhibit, plus (2) the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit.

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with the maximum amount of Firm Requirements Power priced at Tier 1 Rates «Customer Name» may take each hour of a given month of the applicable Fiscal Year.

| **Maximum Hourly Energy (MW/hr)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: All amounts will be shown as whole megawatts-per-hour | | | | | | | | | | | | |

1.4.3 **Minimum Hourly Energy**

The amounts of Firm Requirements Power priced at Tier 1 Rates within each hour shall not be less than the minimum hourly energy schedule amount for the given month.

BPA shall calculate the minimum hourly energy amounts as follows: (1) the greater of (A) 60 percent of the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit or (B) the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit, minus (2) the Shaping Capacity for the given month, as listed in section 1.4.1 of this exhibit.

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with the minimum amount of Firm Requirements Power priced at Tier 1 Rates «Customer Name» shall take each hour of a given month of the applicable Fiscal Year.

| **Minium Hourly Energy (MW/hr)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **OCT** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: All amounts will be shown as whole megawatts-per-hour | | | | | | | | | | | | |

1.4.3.1 **Failure to Take the Scheduled Maximum and Minimum Energy Amounts and Associated Penalty**

BPA shall apply additional charges and penalties when «Customer Name» takes more than the maximum hourly energy in accordance with section 1.4.2 above or takes less than the minimum hourly energy in accordance with section 1.4.3 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Wholesale Power Rate Schedules and GRSPs.

1.4.4 **Monthly Ramp Rates**

The scheduled amount of Firm Requirements Power for any hour priced at Tier 1 Rates, in any hour of a month, shall not deviate from the previous schedule hour’s amount by more than the monthly ramp rate limitations from the previous scheduled hour’s amount. However, no ramp rate penalties will be assessed to schedules between the last hour of such month and the first hour of the following month.

BPA shall calculate «Customer Name»’s monthly ramp rates as follows: (1) «Customer Name»’s Shaping Capacity for the given month as listed in section 1.4.1 of this exhibit multiplied by (2) twenty percent.

By March 31 following BPA’s calculation of «Customer Name»’s Net Requirement pursuant to section 1.1 of Exhibit A, BPA shall update the table below with the monthly ramp rates which apply to «Customer Name»’s Shaping Capacity in whole megawatts for each month of the applicable Fiscal Year.

| **Monthly Ramp Rates (MW)** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY** | **OCT** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** |
| 2029 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2030 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2031 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2032 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2033 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2034 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2035 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2036 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2037 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2038 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2039 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2040 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2041 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2042 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2043 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2044 |  |  |  |  |  |  |  |  |  |  |  |  |
| Note: All amounts will be shown as whole megawatts | | | | | | | | | | | | |

1.4.4.1 **Failure to meet Ramp Rate Provisions and Associated Penalty**

BPA shall apply additional charges and penalties when «Customer Name» fails to satisfy the ramp rates provisions in section 1.4.4 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

1.4.5 **Scheduling Shaping Capacity**

«Customer Name» shall schedule Shaping Capacity amounts to BPA for each hour on a day ahead timeframe as described in section 4 of Exhibit F.

1.4.6 **Mid-Month Energy Requirement**

«Customer Name» must schedule between forty-five and fifty-five percent of the total amount of Firm Requirements Power priced at Tier 1 Rates for a given month, as established in section 1.3 of this exhibit, within the first half of the total hours of the month.

1.4.6.1 **Failure to meet Mid-Month Energy Requirement and Associated Penalty**

BPA shall apply additional charges and penalties when «Customer Name» takes less than forty-five percent or more than the fifty-five percent of the monthly energy amount in accordance with section 1.4.6 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

1.4.7 **Energy Neutrality**

Except for amounts of Peak Load Variance Service (PLVS) Energy specified in section 1.4.8.5 of this exhibit, «Customer Name» must schedule and shall not exceed the total amount of Firm Requirements Power priced at Tier 1 Rates for a given month, as established in section 1.3 of this exhibit.

1.4.7.1 **Failure to meet Energy Neutrality Check and Associated Penalty**

BPA shall apply additional charges and penalties when «Customer Name» fails to satisfy the energy neutrality provisions in section 1.4.7 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

*Option 1: Include if customer did not elect the PLVS option.*

1.4.8 **Peak Load Variance Service (PLVS)**

«Customer Name» has not elected the Peak Load Variance Service.

*End Option 1*

*Option 2: Include if customer elected the PLVS option.*

1.4.8 **Peak Load Variance Service (PLVS)**