

Bonneville Power Administration

Proposed Modifications to IRD GRSP for BP-14 Rate Case

H. Irrigation Rate Discount

1. Discount for Eligible Customers

Section 3 of Exhibit D of the CHWM Contracts set out an Irrigation Rate Mitigation (IRM), and Section 10.3 of the Tiered Rate Methodology describes an Irrigation Rate Mitigation Product (IRMP). Both the IRM and IRMP are implemented through the Irrigation Rate Discount (IRD) set forth in this provision.

In May, June, July, August, and September, an eligible Customer shall have the Irrigation Rate Discount of XX.XX mills/kWh applied to the lesser of the amount of energy purchased at Tier 1 rates in the month or the irrigation load amounts listed in Exhibit D of its CHWM Contract.

The eligibility amounts for the Irrigation Rate Discount are as set forth in Section 3.1 of Exhibit D of the CHWM Contracts and are subject to the true-up process referenced in Section 3.2 and described more fully below.

For a Load Following or Block Customer, the energy purchased at Tier 1 rates will be equal to its Actual Monthly/Diurnal Tier 1 Load used to calculate its Load Shaping billing determinant. For a Slice/Block Customer, the energy purchased at Tier 1 rates will be equal to the sum of its monthly Block purchase at Tier 1 rates plus its Slice Percentage multiplied by the monthly/diurnal RHWM Tier 1 System Capability.

The Irrigation Rate Discount for a Joint Operating Entity (JOE) will be calculated based on individual utility members and billed to the JOE and designated for each eligible utility.

In order to remain eligible for the Irrigation Rate Discount, a Customer is required to implement cost-effective conservation measures on eligible irrigation systems in its service territory. The Customer may use its Energy Efficiency Incentive fund for such purposes.

2. Metering Requirements

Customers are required to read irrigation meters at the beginning of May and after the end of the Irrigation Rate Discount season (September 30). The

Customer shall provide to BPA monthly metered irrigation load information for the months of May through September in a form that is acceptable to the Agency no later than October 31 of each year to ensure a timely true-up calculation.

3. Irrigation Rate Discount True-Up and Reimbursement

There will be an assessment of the Irrigation Rate Discount each November to ensure the Customer served the full amount of irrigation load for which it received an Irrigation Rate Discount. The actual metered irrigation kilowatt-hour (kWh) amounts submitted by the Customer each year will be increased by 7 percent to account for losses (measured irrigation load) before they are compared to the billed irrigation load amounts.

If the sum of a Customer's May through September measured irrigation load is greater than or equal to the sum of the May through September billed irrigation amounts, a true-up calculation is not applicable. However, if the sum of a Customer's May through September measured irrigation load is less than the sum of the May through September billed irrigation load amounts, a true-up calculation is required.

The true-up is calculated as follows: The measured irrigation load for the May through September period will be subtracted from the sum of the May through September billed irrigation load amounts. The result, if positive, will be multiplied by the Irrigation Rate Discount to determine the true-up reimbursement. The true-up reimbursement will appear as a charge on the Customer's subsequent monthly power bill.