

SCHEDULE NO. CSPP

**SHORT-TERM RATES
COGENERATION AND SMALL POWER PRODUCTION**

APPLICABILITY

This schedule is applicable only to short-term purchases from Qualifying Facilities as defined in Utility's Nevada Electric Tariff No. 1 Rule No. 15 where no other schedules are specifically applicable.

RATES

Utility will pay the sum of the following rates for the energy and capacity provided as determined by meter readings:

(1) ENERGY RATE

a. Time differentiated:

ALL QUARTERS

FIRM ENERGY

The rate paid for firm energy deliveries shall be calculated for each hour and is defined as the lesser of:

The highest hourly system incremental generation cost. The incremental generation cost shall be calculated based on the daily incremental fuel cost and the applicable unit's incremental heat rate curve; or

The hourly Market Price calculated from the applicable firm on-peak or firm off-peak price taken from the daily Dow Jones California-Oregon Border (COB) Electricity Price Index shaped by the Dow Jones Mid-Columbia (Mid-C) hourly Index report for the same day plus a basis difference. The basis is equal to the point-to-point transmission rates for PacifiCorp and the Bonneville Power Administration under their respective OATT plus an additional 7.48% of the shaped COB index price to account for losses. The current point-to-point transmission rates equal \$9.58/MWH and shall be updated as necessary.

(D, L)



(D, L)

(Continued)

<p>Issued: 02-11-09 Effective: 05-01-09 Advice No.: 496-E-R</p>	<p>Issued By: Michael J. Carano Director</p>	
--	--	--

SCHEDULE NO. CSPP

**SHORT-TERM RATES
COGENERATION AND SMALL POWER PRODUCTION
(Continued)**

RATES (Continued)

(1) ENERGY RATE (Continued)

a. Time differentiated:

ALL QUARTERS

NON-FIRM ENERGY

The rate paid for non-firm energy deliveries shall be calculated for each hour and is defined as the lesser of:

The highest hourly system incremental generation cost. The incremental generation cost shall be calculated based on the daily incremental fuel cost and the applicable unit's incremental heat rate curve; or
The hourly Market Price calculated from the applicable non-firm on-peak or non-firm off-peak price taken from the daily Dow Jones California-Oregon Border (COB) Electricity Price Index shaped by the Dow Jones Mid-Columbia (Mid-C) hourly Index report for the same day.

(L)

(L)

(Continued)

Issued: **03-30-09**

Effective: **05-01-09**

Advice No.: **496-E-R**

Issued By:
Michael J. Carano
Director

SCHEDULE NO. CSPP

**SHORT-TERM RATES
COGENERATION AND SMALL POWER PRODUCTION
(Continued)**

RATES (Continued)

(1) ENERGY RATE (Continued)

ALL QUARTERS (Continued)

b. Non-time differentiated: (See Special Condition 3)

FIRM ENERGY

The average of the firm hourly time differentiated rates for the appropriate billing period.

NON-FIRM ENERGY

The average of the non-firm hourly time differentiated rates for the appropriate billing period.

(2) CAPACITY RATE

The capacity cost is included in the above firm energy rate.

SPECIAL CONDITIONS

1. The payment period for Utility purchases hereunder shall be the time interval between two consecutive meter readings that are taken for billing purposes.
2. Subject to the provisions of 18 C.F. R. § 292.304 (f), the Utility will accept all offered purchases.
3. Qualifying Facilities with rated (nameplate) capacities of 100 kW or less may choose either time-differentiated or non time-differentiated rates. Qualifying Facilities with rated (nameplate) capacities of more than 100 kW must use time-differentiated rates. Time-differentiated refers to the ability to meter and tag hourly energy output levels for use with corresponding hourly pricing data.

(Continued)

<p>Issued: 02-11-09</p> <p>Effective: 05-01-09</p> <p>Advice No.: 496-E-R</p>	<p>Issued By: Michael J. Carano Director</p>	
--	--	--

SCHEDULE NO. CSPP

**SHORT-TERM RATES
COGENERATION AND SMALL POWER PRODUCTION
(Continued)**

SPECIAL CONDITIONS (Continued)

4. Daily time periods will be based on Pacific time and are defined as follows:

Mondays through Sundays

On-Peak 6:01 a.m. to 10:00 p.m. daily

Off-Peak All other hours

5. Qualifying Facilities providing energy to Utility hereunder shall be entitled to receive electric service from Utility on the filed rates schedule (s) contained in Utility's Nevada Electric Tariff No.1 applicable to the type and location of the Qualifying Facility.

6. All purchases made under this schedule are subject to the provision of Rule No.15 as contained in Utility's Nevada Electric Tariff No. 1.

7. The quarterly rates under this schedule shall become effective upon Commission approval and will continue in effect until superseded.

8. Should the index described under ENERGY RATE section become permanently unavailable, the Utility shall refile its tariff as soon as reasonably possible. Until the refiled tariff becomes effective, Qualifying Facilities shall be paid a rate per MWH equal to the average of the applicable firm on-peak or firm off-peak daily California-Oregon Border (COB) Index prices for the last available month.

9. The Utility shall provide upon demand to any person who receives or desires to receive payment under this schedule, all materials and procedures used in calculating rates for this schedule.

(Continued)

Issued: **02-11-09**

Effective: **05-01-09**

Advice No.: **496-E-R**

Issued By:
Michael J. Carano
Director

SCHEDULE NO. CSPP

**SHORT-TERM RATES
COGENERATION AND SMALL POWER PRODUCTION
(Continued)**

SPECIAL CONDITIONS (Continued)

- 10. The Dow Jones California-Oregon Border (COB) Electricity Price Index firm on-peak and firm off-peak prices are not published on Sundays and NERC holidays. The price paid for any energy and capacity delivered on Sunday or NERC holidays shall be based on the "Sunday and NERC Holiday 24 Hour" California-Oregon Border (COB) Index price shaped by the Dow Jones Mid-Columbia (Mid-C) hourly index report for the same day. If the "Sunday and NERC Holiday 24 Hour" California-Oregon (COB) Index price is not available, the price paid for energy and capacity delivered on Sunday or NERC holidays shall be the firm on-peak and firm off-peak price from the last available day.
- 11. If the Dow Jones Mid-Columbia (Mid-C) hourly index report referenced in the ENERGY RATE section of this tariff and special condition 10 is not published for the same day, then the last published index report shall be used to shape the firm on-peak and firm off-peak daily California-Oregon (COB) Index prices.
- 12. Firm energy is defined as (1) Energy that has firm resources backing up the energy and is under a firm contract for delivery to the Utility, or (2) energy that has been pre-scheduled, or (3) energy that is financially firm and backed up with liquidated damages pursuant to the terms of a contract between the Utility and the Qualifying Facility governing liquidated damages. Energy not meeting the criteria of firm energy will be considered and paid at the non-firm rate.

Issued: **02-11-09**

Effective: **05-01-09**

Advice No.: **496-E-R**

Issued By:
Michael J. Carano
Director