

Business Practice Billing for Unreserved Use

1. Background

- 1.1 The APS OATT provides that APS will assess a charge for unreserved use of transmission service at a rate equal to two (2) times the maximum allowable rate applicable based on the period of unreserved use.
- 1.2 This Business Practice explains APS' practice in determining unreserved use charges.

2. Methodology to Determine Unreserved Use Billing Rate

- 2.1 Unreserved use for a single hour of unreserved use will be based on the rate for daily firm point-to-point service.
- 2.2 Unreserved use for multiple instances within a calendar day will be based on the rate for daily firm point-to-point service.
- 2.3 Unreserved use for multiple instances occurring over several days, but within a single week (Monday hour ending 0100 through Sunday hour ending 2400) will be based upon the rate for weekly firm point-to-point service.
- 2.4 Unreserved use for multiple instances occurring over multiple weeks within a calendar month will be based on the rate for monthly firm point-to-point.
- 2.5 APS will not bill an unreserved use based on the rate for annual firm point-to-point.
- 2.6 The unreserved use charges will be the rate specified above multiplied by two (2).

3. Examples

- 3.1 25 MW of unreserved use in two hours on one day during the first week of the month + 50 MW of unreserved use in two hours on one day during the last week of the month =
$$25 \text{ MW} \times \text{daily firm point-to-point rate} \times 2$$
$$+ 50 \text{ MW} \times \text{daily firm point-to-point rate} \times 2$$
- 3.2 25 MW of unreserved use in two separate days during the first week of the month + 50 MW of unreserved use in two hours on one day during the last week of the month =
$$25 \text{ MW} \times \text{weekly firm point-to-point rate} \times 2$$
$$+ 50 \text{ MW} \times \text{daily firm point-to-point rate} \times 2$$
- 3.3 25 MW of unreserved use in two separate days during the first week of the month + 50 MW of unreserved use in two separate days during the last week of the month =
$$50 \text{ MW} \times \text{monthly firm point-to-point rate} \times 2$$

These Business Practices describe general conditions and practices. There may be specific circumstances that require some variation from or are not addressed by these Business Practices.