**Schedule 4:
Energy Imbalance Service**

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour. The Transmission Provider must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service to satisfy its Energy Imbalance Service obligation. To the extent the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by that Control Area operator.

The Transmission Provider shall establish charges for Energy Imbalance Service as follows:

1. A Transmission Customer shall be charged or paid for Energy Imbalance Service measured as the deviation of the Transmission Customer’s metered load compared to the load component of the Transmission Customer Base Schedule (as determined pursuant to Section 4.2.4.3 of Attachment P of this Tariff) settled as UIE for the period of the deviation at the applicable LAP price where the load is located, as determined by the MO under Section 29.11 (b) (3) (C) of the MO Tariff.
2. A Transmission Customer serving load outside of NV Energy’s BAA utilizing Point-to-Point Transmission Service shall be subject to Energy Imbalance Service when a difference occurs between the resource component of the Transmission Customer Base Schedule compared to the Interchange component of the Transmission Customer Base Schedule, which has the effect of creating an imbalance within NV Energy’s BAA necessitating Energy Imbalance Service. Transmission Customers will be charged or paid for Energy Imbalance Service measured as the deviation of the resource component of the Transmission Customer Base Schedule compared to the Interchange component of the Transmission Customer Base Schedule settled for the period of the deviation at the applicable LAP price, as determined by the MO under Section 29.11(b)(3)(C) of the MO Tariff.

For periods in which the NV Energy EIM Entity is not assessed an over-scheduling or under-scheduling penalty in accordance with Section 29.11(d) of the MO Tariff, the following deviation bands shall apply:

(1) the portion of hourly deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) from the Transmission Customer Base Schedule will be settled at 110 percent of the applicable LAP for underscheduling or 90 percent of the applicable LAP for overscheduling, and

(3) the portion of deviations greater than +/- 7.5 percent (or 10 MW) from the Transmission Customer Base Schedule will be settled at 125 percent of the applicable LAP for underscheduling or 75 percent of the applicable LAP for overscheduling.

These deviation bands shall apply to NV Energy’s own Transmission Customer Base Schedule but not to any increases or decreases in supply to ensure the NV Energy EIM Entity’s EIM Resource Plan submission to the MO in accordance with Section 29.34(e) of the MO Tariff is within the +/- 1% band required under Section 29.11(d)(4) of the MO Tariff.

For any hour for which the Transmission Provider assesses any charge for Energy Imbalance Service under this Schedule 4 based on 110% or 125% of the applicable LAP price, the Transmission Provider shall credit any such penalty revenues in excess of the applicable LAP price to Qualified Transmission Customers that did not incur an imbalance penalty in such hour. For each such hour, the amount of such credit shall be allocated among Qualified Transmission Customers that did not incur an imbalance penalty in such hour in proportion to their respective Qualified Transmission Loads for such hour.

For purposes of this Schedule 4, the following definitions shall apply:

(a) “Qualified Transmission Customer” means each of the following:

(i) Long-Term Firm Point-to-Point Transmission Service Customer;

(ii) Network Customer; or

(iii) Transmission Provider on behalf of its Native Load Customers.

(b) “Qualified Transmission Load” for any hour means the following with respect to each Qualified Transmission Customer:

(i) For each Long-Term Firm Point-to-Point Transmission Service Customer, its Reserved Capacity applicable to such hour;

(ii) For each Network Customer, its load for such hour; or

(iii) For the Transmission Provider on behalf of its Native Load Customers, the hourly load in such hour.

A spreadsheet showing the sub-hourly LAP prices and their derivation for the previous month shall be accessible through the MO’s OASIS.