

Point-To-Point Transmission Losses on the PSCo Transmission System

All PSCo OATT Transmission Customers taking point-to-point Transmission Service shall compensate the Transmission Provider for Real Power Losses determined as specified under Section 15.7 by either: 1) concurrently scheduling in-kind energy as specified in this Schedule 14; or 2) making payments for financial losses calculated as specified in this Schedule 14. For purposes of this Schedule 14, the On-Peak period shall include all hours between HE 0800 and HE 2300, Monday through Saturday, Mountain Prevailing Time (MPT). The Off-Peak period shall include all hours not designated as On-Peak. All Sunday and Holiday hours shall be considered Off-Peak hours. Holidays shall be as defined by NERC, currently New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

a. Determination of point-to-point loss obligations. Each Transmission Customer's point-to-point Real Power Loss obligation will be determined on a daily basis for both On-Peak and Off-Peak periods, as follows:

- i. The total of all of the Transmission Customer's scheduled transmission quantities for the relevant period (On-Peak or Off-Peak) will be determined. The scheduled total will be adjusted for curtailments and other adjustments to determine the net total scheduled quantity.
- ii. For each period, the sum determined pursuant to (i) above shall be multiplied by PSCo's current loss rate as specified in Section 15.7.
- iii. For each period, the figure determined pursuant to (ii) above shall be rounded to the nearest whole MW. A partial MW with a value of 0.50 MW or greater shall be rounded up to the next highest whole MW. A partial MW with a value of less than 0.50 MW shall be rounded down to the nearest whole MW.

b. Concurrent scheduling of in-kind energy. In-kind losses shall be scheduled as follows:

- i. In-kind losses must be delivered to a Point of Delivery (POD) on the PSCo Transmission System using a valid point-to-point transmission reservation entered into PSCo's OASIS;
- ii. As provided in the WECC scheduling procedures (currently WECC INT-BPS-001-2, WR8), the loss schedule must be entered separately from the Transmission Service schedule and must be clearly identified as a "Loss" schedule in the comment field of the electronic tag. It is now required for customers to choose "LossSupply" in the "Transaction Type" field of the etag for delivery of a loss schedule. (past versions of the etag have recently been modified allowing it to properly flag schedules as Loss Schedules);
- iii. Losses for each period (On-Peak and Off-Peak), as determined under (a) above, shall be allocated proportionally and in whole MW to each hour of the applicable period based on the MW of transmission scheduled for that hour.

It shall be the Transmission Customer's responsibility to adjust its loss schedule to reflect any curtailments or other adjustments to the associated Transmission

Service schedule. In the event the Transmission Customer does not adjust its loss schedule to reflect changes in the associated Transmission Service schedule, any excess in-kind losses will not be refunded. To the extent the Transmission Customer does not fully or partially schedule the required quantity of losses in-kind to satisfy the Transmission Customer's loss obligation per period, as determined under (a) above, the under-scheduled quantity in MW shall be billed financially as set forth in (c) below.

- c. Financial settlement of losses. A Transmission Customer's point-to-point Real Power Loss obligation may be settled financially, as follows:
- i. If the Transmission Customer does not fulfill its loss obligation, in whole or in part, by scheduling in-kind losses, the loss obligation will be settled financially. Any Transmission Customer that does not schedule losses in-kind will be deemed to have elected to settle the loss obligation for that service period financially.
 - ii. If a Transmission Customer elects to settle all losses financially, the loss settlement amount shall be determined by multiplying the Transmission Customer's loss obligation (in MW), as determined under (a) above, for the applicable period by PSCo's incremental cost of generation for such period. If a Transmission Customer scheduling in-kind losses under (b) above does not schedule the required quantity of losses, the under-scheduled quantity (in MW) for such period will be multiplied by PSCo's incremental cost of generation for such period to determine the settlement amount.
 - iii. For purposes of this Schedule 14, PSCo's incremental cost of generation shall be the average daily peak or off-peak cost of generation, as applicable, for the last 10 MW generated on PSCo's system for any purpose, calculated as described in Schedule 4, Energy Imbalance Service.