United States
Department of Energy

WESTERN AREA
POWER ADMINISTRATION
Phoenix Area

IMPLEMENTATION AGREEMENT

CONTRACT NO. 95-PAO-10616
5-CU-30-P1128

BETWEEN

UNITED STATES
DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

AND

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

AND

BOULDER CANYON PROJECT
ELECTRIC SERVICE CONTRACTORS

BOULDER CANYON PROJECT
IMPLEMENTATION AGREEMENT

Between
The United States,
acting through
The Western Area Power Administration, Department of Energy
and
The Bureau of Reclamation, Department of the Interior,
and the following parties:
Arizona Power Authority
Colorado River Commission of Nevada
City of Boulder City
Department of Water and Power of the City of Los Angeles
The Metropolitan Water District of Southern California
Southern California Edison Company
City of Anaheim
City of Azusa
City of Banning
City of Burbank
City of Colton
City of Glendale
City of Pasadena
City of Riverside
City of Vernon

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BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT

1. PARTIES: The Parties to this Agreement are the United States of America, acting by and through the Administrator, the Western Area Power Administration ("Western"), and the Commissioner, the Bureau of Reclamation ("Reclamation"); and the Arizona Power Authority; the Colorado River Commission of Nevada; the City of Boulder City, Nevada; the Department of Water and Power of the City of Los Angeles; The Metropolitan Water District of Southern California; Southern California Edison Company; and the California cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, and Vernon. Such entities may be referred to individually as Party or collectively as Parties.

2. RECITALS: This Agreement is made with reference to the following facts, among others:

2.1 Pursuant to the Project Legislation, Western has entered into a Contract with each Contractor for the sale of capacity and energy from the Project, for the period June 1, 1987 to September 30, 2017, with Reclamation a concurring signatory to such Contract insofar as its responsibilities are involved.

2.2 Reclamation and Western recognize that each of them is required and desires to manage the Project's plans, programs, costs, and revenues in a manner that results in the power output of the Project being delivered to the Contractors at the lowest possible cost consistent with sound business principles.

2.3 Reclamation has the responsibility and authority for the operation and maintenance of the Project and Western has the responsibility and authority for the operation and maintenance of the Federal transmission system of the Project and administration of the Contracts including, but not limited to, the establishment of rates for the sale of capacity and energy from the Project.

2.4 In administration of the Contracts, a controversy has arisen between Western, Reclamation and the Contractors with respect to eleven issues. These issues relate to 1) replacements; 2) Visitor Facilities; 3) amending 10 CFR 904; 4) multi-project benefits and costs; 5) E&OC and Coordinating Committee; 6) billing and payment; 7) Working Capital; 8) audits; 9) principal payments; 10) annual rate adjustments; and 11) Uprating Credits.

2.5 The Parties, acting through their representatives, formed a negotiating group which met diligently to negotiate mutually agreeable resolutions to the issues. On June 22, 1993, members of the negotiating group signed the Report of the Negotiating Group ("Report"),attached as Appendix I for historical reference only, without its appendices which have been updated and which are provided as appendices to this Agreement.

2.6 The Report states recommendations for resolution of each issue.

2.7 The Parties desire by this Agreement to implement resolution of the issues identified in the Report.

2.8 Pursuant to the Contracts, the Parties also desire to establish a forum for the exchange of information and to share views regarding Contract administration, including the criteria, policies, and procedures by which the Project will be operated, maintained, and kept in good repair.

3. AGREEMENT: Now therefore, in consideration of the above recitals, the mutual covenants, and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

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4. DEFINITIONS: Terms, when initially capitalized and used herein and in the Appendixes attached hereto, whether in singular or plural, shall have the meaning specified below or in Section 4 ofthe Contracts. Where a term is defined in both documents, the definition in this Agreement shall control interpretations within this Agreement only.

4.1 Actual Expenses - The amount equal to the authorized expenses actually incurred by or for the benefit ofthe Project each Fiscal Year by Western and Reclamation excluding expenses for finning energy purchases.

4.2 Agency Instruction or Agency Order - Written policies and procedures which are agency-wide, duly adopted by Western or Reclamation, executed by either the Administrator or the Commissioner or their designee, including but not limited to, Reclamation Instructions, Department ofEnergy Orders, Western Orders or Western Guidelines.

4.3 Agreement - This Boulder Canyon Project Implementation Agreement and Appendices A through H attached hereto, as amended or supplemented from time to time by agreement ofthe Parties. Appendix I is attached solely for historical reference.

4.4 Annual Capacity Credit - The dollar amount calculated pursuant to Section 13.9 hereof.

4.5 Annual Revenue Requirement - An amount used to calculate the Capacity Dollar and Energy Dollar and equal to the estimated Actual Expenses for the Rate Year less the sum of(1) any multi-project benefits credited to the Project; (2) any carryover of funds from a prior Fiscal Year; (3) estimated Project water storage charge revenue during the Fiscal Year; (4) estimated User Fees to be received during the Fiscal Year, and (5) funds from other sources, except revenue from the sale ofProject capacity and energy.

4.6 Base Charge - The total charge paid by a Contractor for capacity and energy based on the Annual Revenue Requirement, pursuant to Section 13 hereof. The

Base Charge shall be composed of a capacity component and an energy component.

4.7 Calculated Energy Rate - The calculated amount equal to fifty percent (50%) of the Annual Revenue Requirement for each Fiscal Year divided by the Energy Deemed Delivered in such Fiscal Year.

4.8 Capacity Dollar - The amount of revenue to be billed for Project capacity sales for each Fiscal Year. Such amount shall be fifty percent (50%) of the Annual Revenue Requirement, adjusted for the Annual Capacity Credit in accordance with Section 13.9 hereof.

4.9 Completion Date - The date on which construction of the Visitor Facilities is determined by Reclamation to be substantially complete and the Visitor Facilities are open to the public and earning revenue.

4.10 Contractor's Actual Energy Charge - The amount in dollars which each Contractor incurred for Energy Deemed Delivered in each Fiscal Year.

4.11 Contractor's Energy Dollar - The amount equal to the Energy Dollar for each Fiscal Year multiplied by each Contractor's Firm Energy percentage, pursuant to Appendix G hereof.

4.12 Contractors - The Arizona Power Authority; the Colorado River Commission of Nevada; the City of Boulder City, Nevada; the Department of Water and Power of the City of Los Angeles; The Metropolitan Water District of Southern California; Southern California Edison Company; and the California cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, and Vernon.

4.13 Contracts - Each and all of the Boulder Canyon Project Electric Service Contracts between each Contractor and Western, with the concurrence of Reclamation.

4.14 Coordinating Committee - The Coordinating Committee established pursuant to Section 11 hereof.

4.15 Coordinating Committee Member - Each Party's representative on the Coordinating Committee, pursuant to Section 11.2 and Appendix C hereof.

4.16 Discretionary Items - Plans, programs, and other decisions related to operations, maintenance, replacements, betterments, and additions which are justified or required on some basis other than (i) operating and maintaining the physical facilities of the Project in good operating condition, normal wear and tear excepted, (ii) providing for the repayment of the Project's obligations to the United States, or (iii) applicable laws or regulations. Incidental expenses for preliminary evaluation of Discretionary Items are not considered Discretionary Items.

4.17 E&OC - The Engineering and Operating Committee established pursuant to Section 12 hereof.

4.18 E&OC Member - Each Party's representative on the E&OC, pursuant to Section 12.3.1 and Appendix C hereof.

4.19 Energy Deemed Delivered - The amount of energy scheduled, delivered, metered, and calculated to be delivered to each Contractor, including M_L and S_L as defined in Exhibit C to the Contracts, all determined in accordance with the metering and scheduling instructions developed and agreed upon pursuant to Section 5.7.3 of the Contracts. Such energy amount shall exclude energy purchased by Western, at the request of a Contractor, to meet that Contractor's deficiency in Firm Energy pursuant to Section 5.4.7 of the Contracts.

4.20 Energy Dollar - The amount of revenue to be billed for Project energy sales for each Fiscal Year. Such amount shall be fifty percent (50%) of the Annual Revenue Requirement, adjusted for the Annual Capacity Credit in accordance with Section 13.9 hereof.

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4.21 Estimated Cost Difference - The Estimated Final Cost less the Preliminary Estimated Cost, as shown in Table B.1 of Appendix B.

4.22 Estimated Final Cost - The estimate of the total construction cost of the Visitor Facilities, including cost indexing and interest during construction, set forth in Appendix B and adjusted from time to time pursuant to Reclamation forecasts in accordance with the methodology outlined in Appendix B.

4.23 Final Cost - The actual completed construction cost of the Visitor Facilities, including interest during construction, to be determined by Reclamation after the Completion Date, pursuant to Section 7.5 hereof.

4.24 Final Cost Difference - The Final Cost less the Preliminary Estimated Cost.

4.25 Final Master Schedule - The schedule prepared by Western each year and furnished to the Contractors on or about June 1 pursuant to Section 5.5.7 of the Contracts, which sets forth Western's estimate of capacity and energy available by month from the Project for the subsequent fifteen (15)-months, as such period may be subsequently revised. Since the Master Schedule may be revised as described in Section 5.5.8 of the Contracts, then, for purposes of the Monthly Energy Ratio calculations, the Master Schedule first approved each Fiscal Year, referred to as the Final Master Schedule, shall be used to allocate costs for the entire Fiscal Year.

4.26 Increased Authorization - The amount authorized for appropriation by Section 103(a)(2) of the Hoover Power Plant Act of 1984 for the purpose of the Uprating Program and the Visitor Facilities program.

4.27 Monthly Capacity Dollar - The Capacity Dollar divided by 12.

4.28 Monthly Energy Ratio - The estimated amount of energy each Contractor is to receive each month in accordance with the Final Master Schedule divided by the total energy that Contractor is to receive in that Fiscal Year under the Final Master Schedule.

The annual sum of the Monthly Energy Ratios for each Fiscal Year shall equal one (1.0) for each Contractor.

4.29 New Contractor - An entity other than a Contractor which receives an entitlement to, or otherwise is obligated to pay for, Project capacity and/or energy after September 30, 2017.

4.30 Operating Amount - The dollar amount to be established and used for the purposes of the Project pursuant to Section 14 hereof.

4.31 Original Imbalance - The dollar amount by which cumulative capacity payments exceed cumulative energy payments for power delivered from the Project over the period beginning June 1, 1987, and ending September 30, 1995.

4.32 Overruns - The use of capacity or energy, without the approval of Western, in amounts greater than Western's contract delivery obligation in effect for each type of service provided for in the Contract.

4.33 Post-2017 Contractors - New Contractors and those Contractors which purchase Project capacity and/or energy after September 30, 2017.

4.34 Preliminary Estimated Cost - The estimated cost of Visitor Facilities developed in Table B. 1 of Appendix B is based on the preliminary estimate of $32 million in 1983 price levels, adjusted for cost indexing and interest during construction.

4.35 Project - The Boulder Canyon Project, including all work authorized by the Boulder Canyon Project Act, the Hoover Power Plant Act of 1984, and any future additions authorized by Congress, to be constructed and owned by the United States, but exclusive of the main canal and appurtenances authorized by the Boulder Canyon Project Act, known as the All-American Canal.

4.36 Project Legislation - The Boulder Canyon Project Act, 45 Stat. 1057, the Boulder Canyon Project Adjustment Act, 54 Stat. 774, and the Hoover Power Plant Act of 1984, 98 Stat. 1333.

4.37 PRSS - The Power Repayment Spreadsheet Study used by Western to calculate capacity and energy rates for the Project.

4.38 Rate Year - The next Fiscal Year for which the Annual Revenue Requirement is forecast for annual rate determination purposes in the PRSS.

4.39 Repayable Advances -The portion of the Replacement Capital Advances to be recovered through payments from Post-2017 Contractors, and paid to Contractors in accordance with Section 6.4 hereof.

4.40 Replacement Capital Advances - The annual value calculated pursuant to Section 6.2 and Appendix A hereof for the purpose of determining Repayable Advances.

4.41 Settlement Agreement - The agreement among Western, Reclamation, and the Contractors, dated September 15, 1992, filed by Western with the Federal Energy Regulatory Commission in Docket EF91-5091-000.

4.42 Ten-Year Operating Plan - The product of the planning process pursuant to Section 12 hereof.

4.43 Total Master Schedule Energy - The estimated Fiscal Year amount of energy each Contractor is to receive in accordance with the Final Master Schedule.

4.44 Treasury - The United States Treasury.

4.45 Uprating Credits - The credits on Schedule B Contractors' bills associated with such Contractors' financing of the Uprating Program at the Project pursuant to Section 6.5 of the Contracts.

4.46 User Fees - Fees established by Reclamation for public use of the Visitor Facilities including, but not limited to, fees for parking, entrance, tours, exhibits, and concessions.

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4.47 Visitor Facilities - The facilities contemplated by Section 101 (a) of the Hoover Power Plant Act of 1984 including, but not limited to, the multi-story parking structure, relocation of roadway, elevator shaft, tour galleries, visitor tour center, exhibits, viewing platform, and concessions at the Project.

4.48 Working Capital - The unobligated cash balance in the Colorado River Dam Fund for the purposes of the Project pursuant to Section 14 hereof.

4.49 10 CFR 904 - "General Regulations for the Charges for the Sale of Power From the Boulder Canyon Project" promulgated by Western, as such regulations may be amended and supplemented from time to time.

4.50 43 CFR 431 - "General Regulations for Power Generation, Operation, Maintenance, and Replacement at the Boulder Canyon Project, Arizona/Nevada" promulgated by Reclamation, as such regulations may be amended and supplemented from time to time.

5. RELATIONSHIP TO OTHER CONTRACTS: The Contracts, Settlement Agreement, and this Agreement, shall be interpreted, implemented, and administered by the Parties to fulfill and discharge the meaning and intent of each and all such Contracts and agreements. It is the intention of the Parties that Sections 13 and 14 of this Agreement will supersede Part 1 of the Settlement Agreement. The financial obligations incurred under this Agreement, including but not limited to Sections 6, 13, 14 and 15 hereof, shall survive the Contracts until all such obligations hereunder have been performed in full.

6. ISSUE ONE: REPLACEMENTS: The Parties implement the compromise stated in issue one of the Report related to the funding of replacements as follows:

6.1 APPROPRIATIONS: Reclamation may obtain appropriations each Fiscal Year to cover all or some portion of the total cost of replacements required for the Project pursuant to Section 5 of the Boulder Canyon Project Adjustment Act. It is recognized that budget priorities or constraints may prevent Reclamation from requesting or obtaining such appropriations. To the extent that Reclamation receives appropriated funds for Project replacements, such funds shall be applied for such purpose and replacements shall not be expensed.

6.2 REPLACEMENT CAPITAL ADVANCES:

6.2.1 In any Fiscal Year during the term of the Contract in which the amounts required for replacements on the Project have exceeded or may hereafter exceed the amounts made available for that purpose by appropriations from the Treasury, the excess may be expensed. Ninety-six percent (96%) of the sum of the amounts so expensed, together with interest during construction on those expenditures which are for replacement items not placed in service in the year such expenditures are made, shall be Replacement Capital Advances. The remaining four percent (4%) of replacement expenditures shall not be included in the Replacement Capital Advances calculation since some small amount of annual replacement expenditures has historically been expensed due to the low dollar value or short economic life of such replacements.

6.2.2 Reclamation agrees that moderating the rate impacts of year-to-year changes in operation, maintenance and replacement expenses is a relevant criterion for scheduling operation, maintenance and replacements in accordance with the Ten-Year Operating Plan and agrees to manage such expenditures over the remaining balance of the Contract term with the objective of avoiding excessive or precipitous annual increases in operation, maintenance and replacement expenses. Such commitment not withstanding, Reclamation shall schedule operation, maintenance and replacements as necessary for the safe and reliable operation of the Project.

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6.3 REPAYABLE ADVANCES: To determine the Repayable Advances, Western shall, in consultation with Reclamation and the Contractors, annually calculate the amount of the Replacement Capital Advances made by the Contractors in accordance with the following procedure. Such calculations shall be completed by the end of the second month following the end of each Fiscal Year. The calculations shall show.

(a) the annual and cumulative Replacement Capital Advances made each Fiscal Year by all Contractors from June 1, 1987 in the format set forth in Table A.1 of Appendix A;

(b) the capital (principal) which the Treasury would have recovered annually and cumulatively each Fiscal Year from June 1, 1987 if replacements funded with Replacement Capital Advances had been funded by appropriations pursuant to Section 5 of the Boulder Canyon Project Adjustment Act and amortized on a levelized basis in the format set forth in Table A.2.1 of Appendix A. For the calculation, the amortization repayment period shall be fifty (50) years, beginning with the first day of the Fiscal Year following the Fiscal Year in which the investment is placed in service, as provided in 10 CFR 904.5. Interest rates employed in the calculation shall be determined in accordance with Department of Energy Order RA 6120.2;

(c) the annual and cumulative difference between items (a) and (b) above shall be in the format set forth in Table A.3 of Appendix A. The amount by which (a) exceeds (b) shall constitute the amount of Repayable Advances.

6.4 RECOVERY OF REPAYABLE ADVANCES: The calculation of payment obligations and the reimbursements due related to Repayable Advances shall be in accordance with this Section.

6.4.1 The value of "P" shall be calculated pursuant to Section 6.4.2 hereof for each Post-2017 Contractor with a payment obligation. The value of "R" shall be calculated pursuant to Section 6.4.3 hereof for each Contractor with a reimbursement due. The cumulative value of P less the cumulative value of R calculated for all Contractors and New Contractors shall be equal to zero (0).

6.4.2 Responsibility for payment of Repayable Advances shall be calculated for each New Contractor and each Increased Allocation Contractor (such Increased Allocation Contractor is a Contractor which receives an increase in the percentage of total Project capacity and energy after September 30, 2017 from the percentage referenced in Appendix G) in accordance with the following formula:

$$P = 0.5 \times RA \times (C2 - C1) + 0.5 \times RA \times (E2 - E1)$$ where:

P = The portion of the Repayable Advances to be paid by each New Contractor and each Increased Allocation Contractor.

RA = The total amount of Repayable Advances at September 30, 2017 determined in accordance with Table A3 of Appendix A.

C1= Each Increased Allocation Contractor's percentage of Contingent Capacity, pursuant to Appendix G hereof, or zero (0) for each New Contractor.

C2 = The ratio of the amount of total contingent capacity, in kilowatts, allocated to such Post-2017 Contractor to the total contingent capacity, in kilowatts, made available to all Post-2017 Contractors.

E1 = Each Increased Allocation Contractor's percentage of Firm Energy, pursuant to Appendix G hereof, or zero (0) for each New Contractor.

E2 = The ratio of the amount of total annual firm energy, in kilowatt-hours, allocated to such Post-2017 Contractor to the total annual firm energy, in kilowatt-hours, made available to all Post-2017 Contractors.

6.4.3 Entitlement to reimbursement for Repayable Advances shall be allocated to each Decreased Allocation Contractor (such Decreased Allocation Contractor is a Contractor which either receives no allocation of Project capacity and energy after September 30, 2017 or receives a decrease in the percentage of total Project capacity and energy after September 30, 2017 from the percentage pursuant to Appendix G hereof) in accordance with the following formula:

$$R = 0.5 \times RA \times (C1 - C2) + 0.5 \times RA \times (E1 - E2)$$ where:

R = The portion of the Repayable Advances to be reimbursed to each Decreased Allocation Contractor.

RA = The total amount of Repayable Advances at September 30, 2017 determined in accordance with Table A3 of Appendix A.

C1 = Each Decreased Allocation Contractor's percentage of Contingent Capacity pursuant to Appendix G hereof.

C2 = The ratio of the amount of total contingent capacity, in kilowatts, allocated to such Decreased Allocation Contractor to the total contingent capacity, in kilowatts, made available to all Post-2017 Contractors.

E1 = Each Decreased Allocation Contractor's percentage of Firm Energy, pursuant to Appendix G hereof.

E2 = The amount of total annual firm energy, in kilowatt-hours, allocated to each Decreased Allocation Contractor, divided by the total annual firm energy, in kilowatt-hours, made available to all Post-2017 Contractors.

6.4.4 Beginning in October 2017, Western, in addition to meeting all other revenue requirements of the Project, shall establish enforceable obligations and collect a surcharge adequate to make reimbursement of Repayable Advances required by Section 6.4.5.

6.4.5 Repayable Advances shall be reimbursed to eligible Contractors, pursuant to Section 6.4.3 hereof, from the revenues collected by Western pursuant to

Section 6.4.2 and 6.4.4 hereof. Reimbursements shall be made in no more than five equal annual installments commencing on September 30, 2018 and each year thereafter, with interest from October 1, 2017. Such interest shall be compounded at the prime rate existing on September 30, 2017 as published in the Wall Street Journal, or such successor rate or publication which substitutes for the prime rate, less one percent (1%). The prime rate is the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation's thirty (30) largest banks.

6.5 EQUAL TREATMENT: If the United States shall implement funding of replacements on terms which are more favorable to a Contractor than the terms contained in this Agreement, the United States shall promptly make such terms available to all Contractors.

7. ISSUE TWO: VISITOR FACILITIES: The Parties implement the compromise stated in issue two of the Report related to the funding of the Visitor Facilities as follows:

7.1 As required by Project Legislation, Reclamation shall repay the Final Cost to the Treasury based on a level amortization of the Final Cost at the interest rate defined pursuant to Section 104(a)(5) of the Hoover Power Plant Act of 1984, over a repayment period of 50 years, such period to begin on the first day of the next Fiscal Year following the Completion Date.

7.2 Western shall include the cost of operation, maintenance, and replacement of the Visitor Facilities together with the amortized Final Cost in the Annual Revenue Requirements used for establishing power rates and in the Ten-Year Operating Plan.

7.3 Reclamation shall use its best efforts to establish and maintain User Fees sufficient to fund the total of operation, maintenance, and replacement expenses associated with the Visitor Facilities, together with the principal and interest associated with level amortization of the Final Cost Difference.

7.4 Reclamation shall involve the E&OC in the review, planning, and development of a proposed schedule of User Fees, and shall provide the E&OC with a status report on the development of User Fees at each E&OC meeting until such User Fees are implemented.

7.5 Within ninety (90) days after the Completion Date, Reclamation shall determine to the best of its ability the amount spent to date on the Visitor Facilities, the amount to be spent on remaining construction items, and the anticipated amount of outstanding construction claims. Reclamation shall keep the Contractors apprised of construction claims at each E&OC meeting. Once all outstanding construction claims have been resolved, Reclamation shall determine the Final Cost.

7.6 For the purpose of establishing User Fees to be effective on the Completion Date, Reclamation may rely on the Estimated Cost Difference, provided that Reclamation shall use its best efforts to recover through User Fees the amount, if any, by which the Final Cost Difference exceeds the Estimated Cost Difference. The Estimated Final Cost is shown by Table B.1 of Appendix B. Reclamation shall revise the Estimated Cost Difference developed in Appendix B from time to time to reflect the best information available prior to the establishment of User Fees and shall revise Table B.1 to show such revisions. Such User Fees shall be implemented on or before the Completion Date, or as soon thereafter as practicable.

7.7 The total amount of User Fees collected annually shall be deposited in the Colorado River Dam Fund to be available for expenditure therefrom only for purposes authorized by Project Legislation. The revenue estimated to be available from User Fees shall be credited against the amount of revenue required to be collected from the sale of Project energy and capacity, pursuant to Section 13 hereof.

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7.8 In consultation with the E&OC, Reclamation shall estimate revenue from User Fees to be used in each PRSS.

7.9 After the Completion Date, Reclamation shall at least annually review the User Fees at an E&OC meeting, including the existing fees, scheduled adjustments in fee levels, actual and projected visitation, total revenues from User Fees, and the amount, if any, by which the User Fees are insufficient to recover the Final Cost Difference.

7.10 The actual User Fees collected each Fiscal Year shall be determined by Reclamation and reported to the Contractors, and shall be considered in determining the carryover balance calculated annually in the rate process.

8. ISSUE THREE: AMENDMENT TO REGULATIONS: If amendment to regulations of Western or Reclamation is necessary to effectuate any portion of this Agreement, such federal agency will promptly initiate and complete the requisite public process to make such amendments.

9. ISSUE FOUR: MULTI-PROJECT BENEFITS AND COSTS: Within ten (10) days after the effective date of this Agreement, Western shall provide to the E&OC detailed procedures, supporting analyses and justification for (i) determining multi-project benefits and costs, (ii) calculating the benefits and costs of integrated operation of the Project with other Boulder City (now Phoenix) Area Projects on the Colorado River, and (iii) allocating such benefits and costs. The procedures, calculations, allocations, and analyses shall be subject to review by the E&OC. Any changes in such procedures, calculations, allocations, and analyses shall be made available in writing to the E&OC for review prior to Western's inclusion of the multi-project benefits and costs in any PRSS.

10. ISSUE FIVE: E&OC AND COORDINATING COMMITTEE: To assure that the Project is operated, maintained, and kept in good repair in accordance with the Contracts and applicable laws and regulations, the Parties hereby establish the

Coordinating Committee and define its functions, and also define the role ofthe existing E&OC as respectively set forth in Sections 11 and 12 hereof.

11. COORDINATING COMMITTEE:

11.1 The Coordinating Committee is established to provide for the exchange of facts and information, and avoid disputes and disagreements under the Contracts regarding the criteria, policies, and procedures by which the Project will be operated, maintained, marketed, and kept in good repair so that capacity and energy rates will be at the lowest possible cost consistent with sound business principles; and to facilitate implementation of 43 CFR 431.4, 431.6 and 431.8, and pertinent provisions of 10 CFR 904, and applicable laws and regulations.

11.2 Membership ofthe Coordinating Committee shall consist of a representative, referenced in Appendix C, ofWestern, Reclamation and each Contractor. Each Coordinating Committee Member shall have an alternate, who may act in the absence ofthe member. In designating a representative or alternate to act pursuant to this Section 11, Western, Reclamation and each Contractor shall select a representative who is authorized to make decisions with regard to the issues to be decided by the Coordinating Committee. The representative ofReclamation shall be the Chairperson ofthe Coordinating Committee.

11.3 The Coordinating Committee shall meet from time to time, but not less often than annually, upon written notice ofthe Chairperson to all Coordinating Committee Members, such notice to be provided at least fifteen (15) days prior to the scheduled date ofsuch meeting. Meetings shall be held more often than annually at the call ofthe Chairperson upon the written request ofthe Coordinating Committee Members oftwo (2) or more Parties, and the Chairperson shall establish a date for the meeting within thirty (30) days ofreceipt ofsuch written request. The written request shall include the proposed agenda for the meeting. Each meeting notice shall include an agenda, a list of all action items to be addressed and the place and time of the meeting. Minutes shall be kept by Reclamation and copies thereof shall be transmitted to each Coordinating Committee Member. Minutes shall become final if no objections are raised in writing to the Chairperson within thirty (30) days of receipt.

11.4 GENERAL FUNCTIONS:

11.4.1 The Coordinating Committee may establish subcommittees and define their functions and responsibilities. The E&OC shall be a permanent subcommittee of the Coordinating Committee. The Coordinating Committee shall review issues referred to it by any of its members or by any subcommittee.

11.4.2 The Coordinating Committee shall instruct the E&OC to review, discuss, and make recommendations upon Project criteria, policies, and procedures.

11.4.3 The Coordinating Committee shall review, and exercise all reasonable efforts to agree on, the criteria, policies, and procedures developed by Reclamation and Western, and reviewed by the E&OC, for Project operation, maintenance, marketing, and repair so that power rates for the Project shall be at the lowest possible cost consistent with sound business principles and applicable laws and regulations.

11.4.4 Prior to expenditures for Discretionary Items being committed or incurred by Reclamation or Western, the Contractors' Coordinating Committee Members shall be provided the opportunity to review and communicate to Western and Reclamation the Contractors' views whether applicable criteria for expending funds for Discretionary Items have been satisfied.

11.4.5 The Coordinating Committee shall attempt to expeditiously resolve (i) issues or disagreements arising within or from the actions of the Coordinating

Committee or of any subcommittee, and (ii) issues or disagreements referred to it by any or all the Parties to this Agreement; Provided, however, that nothing herein is intended to restrict, modify, or waive any provision of Section 11 of the Contracts.

11.5 The Coordinating Committee will be deemed to have expressed and achieved agreement by unanimous vote of those Coordinating Committee Members who are in attendance, or who have provided their proxy in writing to the Chairperson of the Coordinating Committee.

11.5.1 If the Coordinating Committee Members reach agreement on any issue before them, Western or Reclamation shall proceed to implement the agreed upon course of action if it does not violate applicable rules, regulations or legislation.

11.5.2 If the Coordinating Committee Members fail to reach agreement on any issue before them, the Coordinating Committee Members) shall have the opportunity to present a proposal(s) in writing for action to Reclamation and Western. Reclamation and Western shall agree on which agency has statutory authority to act on the proposal, and within thirty (30) days of receipt of such proposal the responsible agency shall provide written response either accepting, or rejecting the proposal. A response accepting the proposal shall include a description of the steps to be taken and a schedule for implementation. A response rejecting the proposal shall provide an explanation of the reason for rejection.

11.6 Nothing in this Agreement shall authorize the Coordinating Committee to amend or modify this Agreement or the Contracts. This Section not withstanding, the content of Appendix D may be amended or modified pursuant to Section 27 hereof.

12. ENGINEERING & OPERATING COMMITTEE (E&OC)

12.1 The Parties hereby establish the E&OC as a permanent subcommittee of the Coordinating Committee, with the purposes, membership, functions, and responsibilities set forth in this Section 12.

12.2 The purpose of the E&OC is to share information and ideas, and improve communications relating to the Project's program items, operation, costs, and contracts; to facilitate the timely furnishing of data to the Contractors by Reclamation and Western; and to provide an avenue for timely Contractor input on any related issues of concern. The recommendations of the E&OC shall not limit or impair any Party's rights or obligations as provided by their respective Contracts, or as provided by applicable laws or regulations.

12.3 COMPOSITION AND MEETINGS:

12.3.1 Membership of the E&OC shall consist of a representative, referenced in Appendix C, of Western, Reclamation and each Contractor. The E&OC is intended to consist of persons with engineering, operating and other technical capabilities. Each E&OC Member shall have an alternate, who may act in the absence of the member. The representative of Reclamation shall be the Chairperson of the E&OC.

12.3.2 The E&OC shall meet from time to time, but not less often than quarterly, upon written notice by the Chairperson to the E&OC Members. Meetings shall be held more often than quarterly at the call of the Chairperson upon written request of any two (2) E&OC Members. The written request shall include the reason for the meeting and a list of items to be discussed. The Chairperson shall establish a date for such meeting within ten (10) days of receipt of such written request. The Chairperson shall provide notice of all E&OC meetings to each E&OC Member at least two (2) weeks prior to the scheduled meeting date. Each meeting notice shall include an agenda and a list of all action items to be addressed. Meetings shall be held in Reclamation's facilities in Boulder City, Nevada, unless otherwise designated in the meeting notice. Minutes shall be kept by Reclamation and copies thereof shall be transmitted to all Parties and all E&OC Members. Minutes shall not become final until reviewed and approved by the E&OC Members present at a subsequent E&OC meeting.

12.3.3 All actions, recommendations, agreements, or determinations, taken by the E&OC, including the contrary view of any Party, shall be reduced to writing and shall be considered and addressed by Reclamation and Western in carrying out their responsibilities for the Project.

12.4 GENERAL FUNCTIONS:

12.4.1 The E&OC shall provide liaison among Western, Reclamation and the Contractors with regard to engineering and operating matters, costs related to the Project and the Ten-Year Operating Plan referred to in Appendix D.

12.4.2 The E&OC shall review the revenue and cost data submitted by Reclamation in performance of 43 CFR 431.5 and the power generation estimates prepared by Reclamation pursuant to 43 CFR 431.6. Reclamation shall meet with the E&OC and, to the extent permitted by applicable law, regulation, Agency Instruction, or Agency Order, shall consider the views of the E&OC prior to Reclamation's formulation of a budget, and before Reclamation makes final determination of future cost projections for PRSS purposes.

12.4.3 The E&OC shall review the revenue and cost data utilized by Western in its development of a PRSS. Western shall meet with the E&OC and, to the extent permitted by applicable law, regulation, Agency Instruction, or Agency Order, shall consider the views of the E&OC prior to Western's formulation of a budget and before Western makes final determination of future cost projections for PRSS purposes.

12.4.4 The E&OC shall review, discuss, and provide recommendations on quarterly reports to be provided by Reclamation and Western covering the following topics related to the Project:

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(a) Budgets and reports for operation, maintenance, replacements, betterments, and additions;

(b) Planned maintenance schedules;

(c) Annual projections of generation and revenue; and

(d) Statistical and administrative reports and other reports of significant events.

12.4.5 The E&OC may also review, discuss, and provide recommendations on other topics related to the Project's criteria, practices, procedures, or such other information that the Contractors may request including, but not limited to, the following:

(a) Operations and maintenance;

(b) Replacement, addition, and betterment forecasts and expenditures;

(c) Environmental issues;

(d) Inventories;

(e) Determination of generation capacity and Energy Deemed Delivered;

(0 Unit efficiency and availability,

(g) Hydrologic methodology and projections;

(h) Visitor Facilities, including User Fees;

(i) Operating emergencies or curtailed operations;

(j) Management of the Project, including the determination of the Operating Amount; and

(k) Multi-project benefits, costs, and allocations.

12.4.6 Western and Reclamation shall initiate and present to the E&OC, detailed descriptions and time lines of the processes and/or programs related to the Project's budget formulation, power rate determination and implementation, criteria, policies, procedures and the Ten-Year Operating Plan.

12.4.7 When recommendations ofContractors are directed to issues or concerns outside the scope ofthe Contracts, Western or Reclamation, as appropriate, shall forward such comments to the appropriate authorities.

12.4.8 The E&OC shall perform such other functions as directed in writing by the Coordinating Committee.

12.5 In addition to the basic information which Reclamation is required to provide annually under 43 CFR 431, prior to each regularly scheduled quarterly meeting ofthe E&OC, Reclamation or Western, as applicable, shall provide each E&OC Member with updated Project data, ifavailable, covering historical, current, and five (5) year projected staffing, program cost, and energy generation data associated with the Project. Such data shall cover, at a minimum, the topics listed in Section 12.4.4 and 12.4.5 above, and shall be in a format similar to the information presently being provided to the E&OC Members by Reclamation and/or Western as ofthe date ofthis Agreement. Data revisions shall be transmitted to each E&OC Member at least two (2) weeks prior to each regularly scheduled quarterly E&OC meeting. Upon written request ofany E&OC Member, items shall be added to the agenda for the next E&OC meeting. Reclamation and/or Western shall use its best efforts to present supporting documents and studies to the extent permitted by time, applicable law, regulation, Agency Instruction, or Agency Order.

12.6 TEN-YEAR PLANNING PROCESS:

12.6.1 Western and Reclamation, in coordination with the E&OC shall conduct an annual planning process with the following purposes: to provide information to the Contractors ofplans for the on-going operation ofthe Project; to provide the Contractors with the opportunity to provide input into the operations ofthe Project prior to the expenditures ofsignificant funds on replacements, upgrades, betterments, and operation and maintenance items; to assure that the Project is being operated as efficiently and effectively as possible; and to provide a mechanism to link the budget, rate and ten-year planning process. The product of the annual planning process will be the Ten-Year Operating Plan. Western and Reclamation shall strive to develop the initial Ten-Year Operating Plan within one year of the effective date of this Agreement. The Parties intend that the annual planning process be completed in advance of the budget and rate making process so that the E&OC will have the ability to constructively comment during the preparation of the Ten-Year Operating Plan.

12.6.2 Western and Reclamation shall take into consideration the projected costs, revenues, and power sales contained in the most recent "Final" Ten-Year Operating Plan for the Project during the development of all budgetary documents or rate analysis prepared by Western or Reclamation. If Western and Reclamation incorporate the projected costs, revenues, and power sales contained in the most recent "Final" Ten-Year Operating Plan for the Project in a PRSS used to support an annual rate adjustment, and if the E&OC has agreed with the most recent "Final" Ten-Year Operating Plan for the Project; then a Contractor, whose Coordinating Committee representative annually concurs in writing in the "Final" Ten-Year Operating Plan, shall not challenge, before the Deputy Secretary of Energy or Federal Energy Regulatory Commission, the projected costs, revenues and power sales used in the PRSS for that Rate Year that were obtained from the most recent "Final" Ten-Year Operating Plan.

12.6.3 If a Contractor's representative does not concur in the "Final" Ten-Year Operating Plan it shall not be required, as a condition precedent to its ability to challenge the rate developed from such "Final" Ten-Year Operating Plan, to follow the dispute resolution procedure provided in Section 23 hereof.

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12.6.4 Appendix D shall serve as the guideline for the Ten-Year Operating Plan. The Ten-Year Operating Plan is a living document, the form of which may be modified and adjusted by Reclamation and Western, provided such modification and adjustments are presented to the E&OC for review and comments.

12.7 ADMINISTRATIVE MATTERS:

12.7.1 Western and Reclamation shall use best efforts to utilize the most current and up-to-date information in developing the PRSS. The data developed in accordance with 43 CFR 431.5 and Section 12.6 hereof, shall be used in the PRSS, unless prior to the distribution of the PRSS to the Contractors, other data is communicated to and reviewed with the Contractors.

12.7.2 Any unresolved issue or disagreement arising from the E&OC may be submitted by any E&OC Member to the Coordinating Committee for resolution.

13. ISSUE SIX: BILLING AND PAYMENT:

13.1 The Base Charge shall be so calculated as to provide the dollar amount of the estimated Annual Revenue Requirement of the Project during each of the next five (5) Fiscal Years. Prior to October 1 of each Rate Year, Western shall determine the Annual Revenue Requirement for the Rate Year PRSS and for the four Fiscal Years following the Rate Year. The first Rate Year shall be Fiscal Year 1996. Each year may have a different Base Charge.

13.2 The Annual Revenue Requirement (C) shall be established in accordance with the following formula:

C = O&M + DS + PR + UP + MC + P - (W + VF + B + CO + O), where

13.2.1 O&M is the cost associated with Reclamation's and Western's projected operation and maintenance costs, which include costs for the operation and maintenance of the Visitor Facilities and minor replacements in accordance with Federal Energy Regulatory Commission accounting practices.

13.2.2 DS is the debt service cost associated with the annuity with respect to each item of debt to the Treasury shown in 10 CFR 904.5(b)(2), (5), (6) and (7). DS is determined by the uniform debt service associated therewith over its full allowable remaining amortization period; Provided, however, that the cumulative amount of principal to be paid by the Contractors over the term of the Contract shall be no greater than the sum of the principal amounts over such period which would result from uniform annual annuity payments for each debt item issued over its allowable repayment period shown in 10 CFR 904.5(c).

13.2.3 PR is the provision for replacements with rates calculated on the assumption that replacements will be funded by appropriated readvances from the Treasury pursuant to Section 5 of the Boulder Canyon Project Adjustment Act, and that the rates will provide the funds required for levelized amortization of such readvances over a repayment period of fifty years, calculated in like manner as DS. To the extent, if any, that the amount required for replacements in any Rate Year exceeds the amount of appropriated readvances from the Treasury available for that purpose, the excess will be included as a component of the rates in the PRSS, but ninety-six percent (96%) of such excess shall be a Replacement Capital Advance, pursuant to Section 6.2 hereof.

13.2.4 UP is the Uprating Credits provided for in Section 105(f) of the Hoover Power Plant Act of 1984, as shown in 10 CFR 904.5(b)(3). The issue of whether 10 CFR 904.5(b)(2) is applicable to Uprating Credits will be determined in accordance with Section 18 hereof.

13.2.5 MC is the miscellaneous cost which shall include, but not be limited to, Working Capital adjustment (increase or decrease) and Visitor Facilities guide services.

13.2.6 P is the payments to the States of Arizona and Nevada, in accordance with 10 CFR 904.5(b)(4).

13.2.7 W is the annual water storage charge revenue received by the United States pursuant to its contracts for the storage and delivery of water for irrigation and domestic use, authorized by Section 5 of the Boulder Canyon Project Act.

13.2.8 VF is the revenue from User fees for the Visitor Facilities.

13.2.9 B is the benefits paid to (-) or benefits received from (+), another Boulder City (now Phoenix) Area Project.

13.2.10 CO is the carryover of revenue surplus (+) or deficit (-) from the previous Fiscal Year as shown in the PRSS excluding the funds for the Working Capital balance established pursuant to Section 14.4 hereof.

13.2.11 O is revenue and funds from any other source as properly allocated to the Project in accordance with published regulations.

13.3 One-half of the estimated Annual Revenue Requirement shall be provided by revenues from the sale of capacity (Capacity Dollar) and one-half by revenue from the sale of energy (Energy Dollar), subject to adjustment for the Annual Capacity Credit pursuant to Section 13.9 hereof.

13.4 Once the Annual Revenue Requirements are determined for each Rate Year, Western shall calculate a Forecast Capacity Rate and a Forecast Energy Rate. The Forecast Capacity Rate shall be equal to the Capacity Dollar divided by 1,951,000 kilowatts. The Forecast Energy Rate shall be equal to the Energy Dollar divided by the lesser of the Total Master Schedule Energy or 4,501.001 million kilowatt-hours.

13.5 For each Billing Period in the Rate Year, Western shall bill each Contractor for a capacity charge equal to the Monthly Capacity Dollar times each Contractor's Contingent Capacity percentage pursuant to Appendix G hereof. Adjustments to the application ofthe capacity charge shall be made during outages which cause significant reductions in capacity as provided by Section 6.2.2 ofthe Contracts.

13.6 For each Billing Period in the Rate Year, Western shall bill each Contractor for an energy charge equal to that period's Monthly Energy Ratio times the Contractor's Energy Dollar.

13.7 Within ninety (90) days after the end ofthe Fiscal Year and the Energy Deemed Delivered has been determined, Western shall determine the Calculated Energy Rate. For any Rate Year in which Energy Deemed Delivered is greater than 4,501.001 million kilowatt hours, Western shall then apply the Calculated Energy Rate to each Contractor's Energy Deemed Delivered to determine the Contractor's Actual Energy Charge. Western shall then establish a credit or debit for each Contractor based on the difference between the Contractor's Energy Dollar and the Contractor's Actual Energy Charge. Such credit or debit shall be issued by Western against the Contractor in the month following the calculation or as soon as possible thereafter. The sum ofall such credits due the Contractors shall equal the sum ofall debits paid by the Contractors in each year.

13.8 If Section 6.2.2 ofthe Contracts is invoked, then Western shall bill each Contractor based on energy received in such Billing Period at a rate equal to the Forecast Energy Rate determined pursuant to Section 13.4 hereof. However, each Contractor shall not pay more than such Contractor's Energy Dollar responsibility for that Billing Period. If Section 6.2.2 ofthe Contracts is invoked, any resulting imbalance in capacity and energy revenue collected in any Rate Year shall be corrected no later than the second Billing Period ofthe following Fiscal Year through appropriate credits and debits on the Contractor's power bills.

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13.9 Western shall calculate the Original Imbalance, shall calculate the Annual Capacity Credit pursuant to Section 13.9.1 hereof, and after consultation with the E&OC shall transmit such calculations to the Contractors. Upon review of the calculation by the Contractors, Western shall include the Annual Capacity Credit in its calculation of the Capacity Dollar and the Energy Dollar beginning in Fiscal Year 1996 pursuant to Section 13.9.2 hereof. The Original Imbalance shall be confirmed by the initial audit pursuant to Section 15.2 hereof, and any difference between Western's calculation and the initial audit calculation of the Original Imbalance shall be adjusted equally throughout the remaining payments of the Annual Capacity Credit. Such adjustment will be made by dividing the amount of the difference by the number of years remaining for payment of the Annual Capacity Credit. Such annual difference amount shall be subtracted or added to the Annual Capacity Credit for each Fiscal Year remaining.

13.9.1 For each Fiscal Year the Annual Capacity Credit shall be the product of a) the Original Imbalance, and b) that Fiscal Year's percentage from the following table.

Fiscal Year	Annual Capacity Credit Percentage
1996	14.29%
1997	14.29%
1998	14.29%
1999	14.29%
2000	14.29%
2001	14.29%
2002	14.26%
2003 and thereafter	0.0%

13.9.2 The Energy Dollar shall be increased by one-half of the Annual Capacity Credit, and the Capacity Dollar shall be decreased by one-half of the Annual Capacity Credit.

13.10 In any Fiscal Year when a carryover exists due to Actual Expenses being less than the Annual Revenue Requirement on which capacity and energy payments were based, such carryover shall be credited one-half to the Capacity Dollar for the next Fiscal Year and one-half to the Energy Dollar for the next Fiscal Year.

13.11 Application of the Base Charge to Overruns will be as provided for by the Contract using the Forecast Capacity Rate and the Forecast Energy Rate. The capacity component and the energy component of the Base Charge shall be applied each billing period for each Contractor that incurs Overruns. Such amounts shall be considered other revenue (O) in the Annual Revenue Requirement calculation and shall be carried over to the next Fiscal Year. Additionally, such amount shall not be used in the calculation cited in Section 13.7 hereof.

13.12 The Base Charge shall be reviewed annually. The Base Charge shall be adjusted either upward or downward annually to assure sufficient revenues to effectuate payment of all costs and financial obligations associated with the Project pursuant to 10 CFR 904.5 (b), (c), and (d). The Administrator shall provide all Contractors an opportunity to comment on any proposed adjustment to the Base Charge pursuant to the Department of Energy's power rate adjustment procedures then in effect.

13.13 The rate methodology and the calculated rates established pursuant to this Section 13 for the first Rate Year, and established each fifth Fiscal Year thereafter, shall become effective provisionally upon approval by the Deputy Secretary of Energy subject to final approval by the Federal Energy Regulatory Commission. For all other Fiscal Years, the rate shall become effective upon approval by the Deputy Secretary of Energy.

Except as provided in Section 12.6.2 hereof as it relates to a Contractor annually concurring in the "Final" Ten-Year Operating Plan, nothing in this Agreement shall limit the rights of a Contractor to seek review of the decision of the Deputy Secretary of Energy.

13.14 As soon as possible after the end of the Contract term, any excess funds remaining in the Colorado River Dam Fund after the end of the Contract term shall be returned to the Contractors based on their Project percentage pursuant to Appendix G hereof.

14. ISSUE SEVEN: OPERATING AMOUNT AND WORKING CAPITAL: The Parties hereby define the Operating Amount and Working Capital to be determined and managed in accordance with the following:

14.1 The Operating Amount shall be used only: (i) to bridge the time delay between the date of billing by Western for capacity and energy sales and the date of receipt by Reclamation of the resulting revenues; and (ii) to assure that sufficient funds are available during each Fiscal Year to avoid deferring within a Fiscal Year work necessary to maintain the safe operation of the Project and to meet required obligations, including expenses related to Finning Energy, through the establishment and maintenance of Working Capital. The Operating Amount is available only to cover expenditures which are for those Project Uses which are included in the authorized budget of Reclamation or Western. The Parties agree that, subject to the purposes described herein, the Operating Amount shall be minimized, taking into account the provisions of Sections 13 and 19 hereof.

14.2 The Operating Amount shall be equal to the difference between the cumulative revenue for which the Contractors have been billed under the Base Charge for service under the Contracts and the total Project expenses which have been incurred, and which are to be paid from revenues collected through the Base Charge. The Operating Amount may be comprised of the following: (i) amounts billed to the Contractors for which payment has not been received by Western; (ii) payments received by Western which have not been transferred to the Colorado River Dam Fund; and (iii) any unobligated cash balance in the Colorado River Dam Fund, which portion of Operating Amount shall be Working Capital.

14.3 The Parties stipulate that the Operating Amount existing at the end of Fiscal Year 1993, as shown in the PRSS supporting Western's rate order WAPA-58 is $7,879,819 and stipulate that the process for the calculation of the Operating Amount will be as shown in Appendix E attached hereto. The initial audit, conducted pursuant to Section 15.2 hereof, shall determine the benchmark for the components of the Operating Amount identified in Section 14.2 hereof, as of September 30, 1994.

14.4 As of October 1, 1994, the amount of Working Capital shall be increased or decreased to $3,000,000 and, unless adjusted pursuant to Section 14.6 hereof, shall be the maximum balance of Working Capital at the beginning of each successive Fiscal Year. The positive difference between the amount of Working Capital existing as of October 1, 1994 and $3,000,000 shall be returned to the Contractors in their power rates established for Fiscal Year 1996. If the amount of Working Capital existing as of October 1, 1994 is less than $3,000,000, then such deficiency shall be billed to the Contractors in their power rates established for Fiscal Year 1996.

14.5 The E&OC shall annually review the sufficiency of the Operating Amount for its intended purpose, pursuant to Section 12.4.5 hereof.

14.6 : The Coordinating Committee shall have the authority, pursuant to Section 11.4.3 hereof, to increase or decrease the Working Capital.

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14.7 The Operating Amount shall be returned to the Contractors in Fiscal Year 2018 based on their Project percentage pursuant to Appendix G hereof.

15. ISSUE EIGHT: AUDITS: Western, Reclamation and the Contractors desire to establish procedures for various financial audits ofthe books, records, and financial statements for the Project. Such audits are authorized pursuant to Section 17 ofthe Contracts. This Section 15 is without prejudice to the provisions for audits in the Interim Contract relating to Uprating Program at Hoover Powerplant as such provisions are included by reference in the contracts between the United States, Department ofthe Interior, Bureau ofReclamation, Boulder Canyon Project and the Schedule B Contractors for the Advance ofFunds for the Uprating Program at Hoover Powerplant. It is the intent ofthe Parties that only the audits provided for in this Agreement must follow the respective procedures addressed in this Agreement.

15.1 CONDUCT OF AUDITS:

15.1.1 All recommendations from audits conducted pursuant to this Agreement shall be evaluated and reviewed by the E&OC, and those recommendations with which the E&OC Members unanimously agree shall be implemented by Western or Reclamation, as applicable. Through membership on the E&OC, Western or Reclamation may decline to implement any audit recommendation. With regard to those recommendations that cannot be fully implemented, written explanations will be provided to the E&OC for discussion, and such explanations shall specify those portions ofthe recommendations that cannot be implemented, and the reasons for non-implementation. Any E&OC Member may submit for consideration by the Coordinating Committee any audit recommendation which Western or Reclamation declines to implement, pursuant to Section 12.7.2 hereof.

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15.1.2 All audits shall be conducted in accordance with the generally accepted accounting principles and other established standards or guidelines.

15.1.3 Audit reports produced as a result of audits of the Project performed by one or more of the Contractors shall be made available to and reviewed with Reclamation and Western before the audit is certified as final. Reclamation and Western shall receive copies of the final audit report.

15.2 INITIAL AUDIT:

15.2.1 The Contractors agree to have an independent initial audit of the Project performed by an independent auditor.

15.2.2 The initial audit of the Project will be conducted and concluded within nine (9) months of the effective date of this Agreement. The initial audit will cover the period beginning on June 1, 1987 and concluding with the most recently completed Fiscal Year.

15.2.3 Each Contractor shall pay its share of the cost of the initial audit which shall be determined in accordance with the following formula:

CS = AC x CP, where:

CS = each Contractor's share of the initial audit cost.

AC = the total cost of the initial audit.

CP = the Contractor's Project percentage pursuant to Appendix G hereof.

15.2.4 The Contractors shall provide Reclamation and Western advance written notice of an intent to conduct the initial audit, the audit scope, and the proposed work plan. The information to be included in the audit scope shall be limited to that available pursuant to Section 17 of the Contracts. Reclamation, Western, and the Contractors shall mutually agree upon the date on which the audit will commence, which date shall be no less than thirty (30) days nor more than ninety (90) days after such notice.

15.2.5 In addition to the requirements of this Section, the initial audit shall be conducted in conformance with the minimum requirements identified in Appendix F attached hereto.

15.3 ANNUAL AUDIT:

15.3.1 Western and Reclamation shall have an annual audit of the Project conducted pursuant to the Chief Financial Officers Act of 1990 (Public Law 101-576). Western, Reclamation, and the Contractors shall, through the E&OC, jointly determine the scope of work for each audit and the appropriate audit method. Upon concurrence as to the audit scope and the auditor, Western, Reclamation, and/or the Contractors shall proceed with all activities necessary to complete the audit.

15.3.2 Each annual audit shall be completed within ninety (90) days after the close of the Fiscal Year, provided the books and records are available. If the books and records are not available to complete the audit within ninety (90) days after the close of the Fiscal Year, Reclamation and Western shall expedite their availability and complete the audit within ninety (90) days after the date of their availability. All agreed upon adjustments to each annual audit shall be finalized within thirty (30) days after the completion of the audit or as soon as possible thereafter. All adjustments not agreed upon shall be included in a written report to the E&OC by Reclamation and Western, including the reason why each adjustment is not acceptable.

15.3.3 Each audit shall determine whether the books, records, and financial statements of Reclamation and Western are maintained in compliance with applicable standards, laws, regulations, and procedures.

15.3.4 Each audit shall verify that appropriate internal fiscal controls and procedures are in place and utilized and that accounting entries appropriately reflect direct and allocated expenses.

15.3.5 At a minimum, each annual audit shall review, verify, and document the flow of all source documents, internal audit procedures, data processing, budget formulation, obligations, encumbrances, payables, receivables, fund and property transfers, inventory levels and restocking controls, procurement, payroll, travel, administrative overhead determinations, and allocations. Upon concurrence as to the audit scope and the auditor by the E&OC, Western and/or Reclamation shall proceed with all activities necessary to complete the audit.

15.3.6 The cost incurred to complete each annual audit shall be deemed an operation and maintenance expense for the Project and shall be included in the determination of the O&M component of the Annual Revenue Requirement as established in Section 13.2 of the Agreement.

15.4 JOINT AUDITS:

15.4.1 In addition to the conduct of an initial audit and annual audits as provided herein, other audits may be performed by one (1) or more Contractors. If two (2) or more Contractors agree to conduct an audit (Joint Audit), then all Contractors shall be provided the opportunity to participate in the Joint Audit. All Joint Audits shall be performed at the sole expense of the Contractors participating therein. The auditor(s). shall have access for any purpose at all reasonable times to applicable portions of all books and records of the other Contractors, Reclamation, and Western relating to transactions associated with the Contract. Prior to commencement of the Joint Audit, the participating Contractors shall have agreed to the details of conducting the Joint Audit. Such details may include, but shall not be limited to:

(a) the scope and work plan;

(b) whether the audit is to be conducted by an independent auditor or an audit team of the Contractors;

(c) the identity of the independent auditors and the estimated costs thereof, or the identity of the audit team and the basis for the audit team's estimated charges;

(d) how the costs and expenses of the audit shall be allocated among, and paid by, the Contractors participating in the audit; and

(e) distribution of the audit report.

15.4.2 The Contractors shall provide Reclamation and Western at least thirty (30) days advance written notice of an intent to conduct a Joint Audit, the audit scope, and the proposed work plan. Reclamation, Western, and the Contractors shall mutually agree upon the date on which the Joint Audit will commence, which shall be within ninety (90) days of such notice.

16. ISSUE NINE: PRINCIPAL PAYMENTS: The Annual Revenue Requirement includes principal and interest currently due the Treasury. When sufficient funds are available to meet the requirements of the Project in accordance with the Contracts, Reclamation shall pay principal on a monthly basis, rather than at the end of the year, Provided, however, the annual principal payments over the term of the Contracts shall not exceed the cumulative principal payments that would be made under a level amortization schedule. Reclamation shall report on the timing and amount of principal payments paid in the just-ended Fiscal Year at the first E&OC meeting of each Fiscal Year.

17. ISSUE TEN: ANNUAL RATE ADJUSTMENTS: According to the schedule established pursuant to Section 12.4.6 hereof, Western shall present to Reclamation and the Contractors its analysis of the revenue that the then-effective Project capacity and energy charges are expected to yield in the next Rate Year as compared to the Annual Revenue Requirements of the Rate Year. If such charges are expected to provide revenues that are greater or less than the Annual Revenue Requirement, Western shall

propose a corrective Project rate adjustment to take effect in the first Billing Period ofthe Rate Year.

18. ISSUE ELEVEN: UPRATING CREDITS: As ofthe effective date ofthis Agreement, the Parties have not reached consensus on all issues concerning the recognition and the administration ofUprating Credits. Therefore, the Parties agree to develop within one hundred eighty (180) days after the effective date ofthis Agreement, detailed procedures and practices to be followed by the Parties in the administration of Uprating Credits pursuant to Section 6.5 ofthe Contracts. The Parties agree to follow the guidelines, terms, and conditions specified in Appendix H in developing the procedures and practices. Once approved by all the Contractors, the Parties agree to abide by such procedures and practices for the administration ofthe Uprating Credits.

19. PAYMENT AND TRANSFER OF FUNDS: For the electric service furnished pursuant to Section 5 ofthe Contracts, Western shall issue a bill to each Contractor by the third (3rd) day of each month following the Billing Period. Each Contractor shall pay such bill within twenty (20) days ofissuance. Western shall transfer the revenue collected from the Contractor to Reclamation's account by the twenty-eighth (28th) day ofthe month following the Billing Period.

20. FUTURE REGULATIONS: From time to time additional or amendatory regulations may be promulgated as deemed necessary for the administration ofthe Boulder Canyon Project in accordance with applicable law, Provided, that no right under this Agreement shall be impaired, or obligation thereunder be extended thereby.

21. CONDITIONS FOR EFFECTIVE DATE: This Agreement shall become effective when this Agreement has been executed by Western, Reclamation, and all Contractors. Western shall notify all Parties that the foregoing has occurred.

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22. ENTIRE AGREEMENT: It is mutually understood and agreed that this Agreement represents the complete agreement ofthe Parties, and that no alteration or variation ofthe terms, conditions, covenants, and obligations ofthis Agreement, except the appendices, shall be valid and binding unless made in writing and signed by the Parties hereto. The appendices shall be modified pursuant to Section 27 hereof.

23. NOTICE: Any notice, demand, or request required by this Agreement is to be in writing and shall be considered properly given when delivered in person, or sent by either registered, certified or express mail, postage prepaid, or prepaid telegram addressed to each representative ofthe Coordinating Committee at the principal offices ofthe Party. The designation ofthe person to be notified may be changed at any time by similar notice. The names and mailing addresses ofthe representatives ofthe Coordinating Committee are listed in Appendix C hereof.

24. DISPUTE RESOLUTION: Any unresolved issues or any disputes arising out of this Agreement shall, at the written request ofany Party, be subject to dispute resolution pursuant to Section 11 ofthe Contracts. Any Party may intervene and participate in such dispute resolution.

25. RELATIONSHIP OF PARTIES: The covenants, obligations and liabilities of the Parties are intended to be several and notjoint or collective, and nothing herein contained shall ever be construed to create an association, joint venture, trust or partnership ofthe Parties. Each Party shall be individually responsible for its own covenants, obligations and liabilities as herein provided. No Party shall be the agent ofor have a right or power to bind any other Party or to waive any other Party's rights without such other Party's express written consent. Default in the performance ofthis Agreement, or lack ofcapacity to enter into this Agreement, on the part ofany Contractor shall not affect the performance ofthis Agreement and the enforceability thereofbetween the

United States and each of the other Contractors.

26. MODIFICATION AND WAIVER: Any modification, extension or waiver by the United States, of any of the terms, provisions or requirements of this Agreement, or any Project regulation or contract, for the benefit of one or more Contractors or their resale customers, shall not be denied to any other Contractor. Any waiver at any time by any Party hereto of its rights with respect to a default or any other matter arising under or in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

27. EFFECT OF SECTION HEADINGS: Other than definitions, Section headings appearing in this Agreement are inserted for convenience only, and shall not be considered as interpretation of text.

28. REFERENCED APPENDICES: Appendices A through I are incorporated by reference herein and shall be considered a part of this Agreement. Appendix I is attached for historical reference purposes only. Appendices A,B,F and H may be updated from time to time by written consent of the representatives of the E&OC, which consent shall not unreasonably be withheld. However, the methodology in Appendices A and B may only be modified or changed by agreement of the Parties. Appendix E and G may not be modified or amended. Appendix C may be modified at any time by each representative of the Coordinating Committee, by giving written notice to Western, Reclamation and each Contractor of such change in its representative(s). Appendix D may be modified or changed by the Coordinating Committee.

29. SUCCESSOR OR ASSIGNEE: Any successor or assignee of the rights of any Party, whether by voluntary transfer, judicial or foreclosure sale or otherwise, shall be subject to all the provisions and conditions of this Agreement to the same extent as though such successor or assignee were the original Party under this Agreement, and the

execution of a mortgage or trust deed, or judicial or foreclosure sale made thereunder, shall not be deemed voluntary transfer within the meaning of this Section. No assignment or transfer of any rights under this Agreement shall be effective unless and until the assignee or transferee agrees in writing to assume all of the obligations of the assignor or transferor and to be bound by all of the provisions and conditions of this Agreement.

30. EXECUTION BY COUNTERPART: This Agreement shall be executed in seventeen (17) counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached it to one or more signature pages. Each signature shall be supplemented in the case of each Contractor by evidence of approval of such signature by the Contractor's governing body.

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31. SIGNATURE: Each signatory hereto represents that she/he is authorized to enter into and bind the Party for which he/she signs to the provisions of this Boulder Canyon Project Implementation Agreement. Each Party agrees to defend its authority to sign this Agreement if and when its authority is questioned.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and it shall become effective as of 17 day of February 199~~4~~5.

THE UNITED STATES OF AMERICA
WESTERN AREA POWER ADMINISTRATION

By ____________________
Area Manager

Date: February 17, 1995

Attest: BUREAU OF RECLAMATION

By: ____________________ By ____________________
Regional Director

Date: ____________________

Approved as to Form:

By: ____________________
Robert Moeller
Attorney

31. SIGNATURE: Each signatory hereto represents that she/he is authorized to enter into and bind the Party for which he/she signs to the provisions ofthis Boulder Canyon Project Implementation Agreement. Each Party agrees to defend its authority to sign this Agreement if and when its authority is questioned.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and it shall become effective as of______day of_______, 1994.

THE UNITED STATES OF AMERICA

Attest: WESTERN AREA POWER ADMINISTRATION

By: ____________________ By ____________________________

Area Manager

Date: ____________________________

and

Attest: BUREAU OF RECLAMATION

By: By

Commissioner

Date: 12/12/94

Approved as to Form:

By:

Robert Moeller

Attorney

Attest: ARIZONA POWER AUTHORITY

By: Rita Gallant By Jewell M. Lewis

Date: December 20, 1994

Approved as to Form:

By: James P. Bartlett

James P. Bartlett

Attorney

COLORADO RIVER COMMISSION

OF NEVADA

Attest:

By: ____________________ By ______________________________

Date: ______________________________

Approved as to Form:

By: ____________________

Attest: ARIZONA POWER AUTHORITY

By: ____________________ By ______________________________

Date: ______________________________

Approved as to Form:

By: ____________________

James P. Bartlett

Attorney

COLORADO RIVER COMMISSION

OF NEVADA

Attest:

By: ____________________ By ______________________________

Date: December 7, 1994

Approved as to Form:

By: ____________________

Attest:	CITY OF BOULDER CITY, NEVADA
By: *[signature]*	By *George O. Forbes*
	Date: *November 8, 1994*

Approved as to Form:

By: *[signature]*

Attorney

Attest:	SOUTHERN CALIFORNIA EDISON COMPANY
By: ______________________	By ______________________
	Its Vice President
	Date: ______________________

Approved as to Form:

By: ______________________

Attorney

Attest:	CITY OF BOULDER CITY, NEVADA
By: ______________________	By ______________________
	Date: ______________________
Approved as to Form:	
By: ______________________	
Attorney	

Attest:	SOUTHERN CALIFORNIA EDISON COMPANY
By: [signature]	By [signature]
	Its Vice President
	Date: 12-1-94
Approved as to Form:	
By: ______________________	APPROVED BRYANT C. DANNER Senior Vice President and General Counsel By [signature] Attorney 12/1, 1994
Attorney	

APPROVED AS TO FORM AND LEGALITY
JAMES K. HAHN, CITY ATTORNEY

OCT 26 1994

BY ____________________
RICHARD M. HELGESON
Assistant City Attorney

DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES
BY
BOARD OF WATER AND POWER COMMISSIONERS OF THE CITY OF LOS ANGELES

By Willie R. McCarley
GENERAL MANAGER

And Linda L. Newman
ASSISTANT Secretary

NOV 1 1994

95 102

THE CITY OF LOS ANGELES
Acting by and through its
BOARD OF WATER AND POWER COMMISSIONERS

By Willie R. McCarley
GENERAL MANAGER

And Linda L. Newman
ASSISTANT Secretary

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Attest:

By: ____________________

By ____________________
John R. Wodraska
General Manager

Date: ____________________

Approved as to Form:
N. Gregory Taylor
General Counsel

By: ____________________

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES

By ______________________

Assistant General Manager - Power

Date: ______________________

Approved as to Form:

By: ______________

THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA

Attest:

By: ______________________
for EXECUTIVE SECRETARY

By ______________________
for John R. Wodraska
General Manager

Date: JAN 13 1995

Approved as to Form:
N. Gregory Taylor
General Counsel

By: ______________________

Attest: CITY OF ANAHEIM

By: [illegible] asst. City Clerk By [illegible]

Public Utilities General Manager

Date: 12/20/94

Approved as to Form:

By: Alan R. Watts

Attorney

Attest: CITY OF AZUSA

By: ____________________ By ______________________________

Date: ______________________________

Approved as to Form:

By: ____________________

Attorney

Attest: CITY OF ANAHEIM

By: ______________________ By ______________________

Date: ______________________

Approved as to Form:

By: ______________________

Attorney

Attest: CITY OF AZUSA

By: [signature] By Stephen T. Alexander

Date: November 8, 1994

Approved as to Form:

By: Alan R Watts

Attorney

Attest: CITY OF BANNING

By: *[signature]* By *[signature]*
City Clerk City Manager

Date: 12/7/94

Approved as to Form:

By: *[signature]*

Attorney

Attest: CITY OF BURBANK

By: ____________________ By ______________________________

Date: ______________________________

Approved as to Form:

By: ____________________

Attorney

Attest: CITY OF BANNING

By: ______________ By ______________

Date: ______________

Approved as to Form:

By: ______________

Attorney

Attest: CITY OF BURBANK

By: M M Laueman By Ronald V Stone
City Clerk

Date: 2/10/95

Approved as to Form:

By: [signature]

Attorney

Attest: CITY OF COLTON

By: ______________________ By ______________________

Date: 2-8-95

Approved as to Form:

By: ______________________

Attorney

Attest: CITY OF GLENDALE

By: ______________________ By ______________________

Date: ______________________

Approved as to Form:

By: ______________________

Attorney

Attest: CITY OF COLTON

By: ______________________ By ______________________

Date: ______________________

Approved as to Form:

By: ______________________

Attorney

Attest: CITY OF GLENDALE

By: Aileen B. Boyle By ______________________

Date: 12/28/94

Approved as to Form:

By: ______________________

12/12/94

Assistant City Attorney

Attorney

CITY OF GLENDALE

DATE 12-19-94

APPROVED AS TO FINANCIAL

N/A

Director of Finance

Attest: 11/2/94	CITY OF PASADENA
By: [signature]	By: [signature]
	EDMUND F. SOTELO INTERIM GENERAL MANAGER WATER AND POWER DEPARTMENT
	Date: 10/24/94

Approved as to Form:

By: [signature]

Attorney

Attest:	CITY OF RIVERSIDE
By: ______________	By ______________
	Date: ______________

Approved as to Form:

By: ______________

Attorney

Attest: CITY OF PASADENA

By: ____________________ By ______________________________

Date: ______________________________

Approved as to Form:

By: ____________________

Attorney

Attest: CITY OF RIVERSIDE

By: Karen E. Lindquist By Ronald Loveridge

City Clerk ,Mayor

Date: FEB 8 1995

Approved as to Form:

By: Robert A. Sauns 2/1/95

Attorney

Attest: CITY OF VERNON

By: ______________________ By ______________________

Date: 1-17-95

Approved as to Form:

By: ______________________

Attorney

APPENDIX A

CALCULATIONS FOR REPLACEMENT CAPITAL ADVANCES AND REPAYABLE ADVANCES

APPENDIX A

CALCULATIONS FOR REPLACEMENT CAPITAL ADVANCES AND REPAYABLE ADVANCES

This appendix illustrates the repayment calculation as provided in Section 6 of this Agreement. The following lists the exhibits that corresponds to each subparagraph.

Section	Table	Description
6.3(a)	A. 1	Calculation of Replacement Capital Advances
6.3(b)	A.2.1	Calculation of capital (principal) recovered if Replacement Capital Advances are funded by appropriations.
6.3(b)	A.2.2	Annual capital (principal) recovered if Replacement Capital Advances are funded with appropriations. *(Input to Table A.2.1)*
6.3(b)	A.2.3	Calculation of interest during construction for replacements not placed in service in the Fiscal Year that expenditure is made. *(Input to Table A.2.1)*
6.3(c)	A.3	Calculation of Repayable Advances

Forecast values will be updated each year as soon as actual replacement expenditures and Replacement Capital Advances for the just-ended Fiscal Year are known.

05-Oct-94

TABLE A.1
CALCULATION OF REPLACEMENT CAPITAL ADVANCES

(1) Fiscal Year	(2) Annual Replacements	(3) Annual Replacements Funded With Appropriations	(4) Annual Expensed Replacements	(5) Annual Replacement Capital Advances	(6) Cumulative Replacement Capital Advances
Actual Values:					
1988	$4,724,736	$0	$4,724,736	$4,535,747	$4,535,747
1989	$2,376,942	$0	$2,376,942	$2,281,864	$6,817,611
1990	$5,143,434	$0	$5,143,434	$4,937,697	$11,755,308
1991	$3,591,038	$0	$3,591,038	$3,447,396	$15,202,704
1992	$7,536,153	$0	$7,536,153	$7,234,707	$22,437,411
1993	$6,693,055	$0	$6,693,055	$6,425,333	$28,862,744
Forecast Values:					
1994	$7,619,000	*	$7,619,000	$7,314,240	$36,176,984
1995	$6,046,000	*	$6,046,000	$5,804,160	$41,981,144
1996	$5,610,000	*	$5,610,000	$5,385,600	$47,366,744
1997	$6,460,000	*	$6,460,000	$6,201,600	$53,568,344
1998	$4,250,000	*	$4,250,000	$4,080,000	$57,648,344
1999	$4,160,000	*	$4,160,000	$3,993,600	$61,641,944
2000	$1,812,000	*	$1,812,000	$1,739,520	$63,381,464
2001	$1,812,000	*	$1,812,000	$1,739,520	$65,120,984
2002	$1,812,000	*	$1,812,000	$1,739,520	$66,860,504
2003	$1,812,000	*	$1,812,000	$1,739,520	$68,600,024
2004	$1,812,000	*	$1,812,000	$1,739,520	$70,339,544
2005	$1,812,000	*	$1,812,000	$1,739,520	$72,079,064
2006	$1,812,000	*	$1,812,000	$1,739,520	$73,818,584
2007	$1,812,000	*	$1,812,000	$1,739,520	$75,558,104
2008	$1,812,000	*	$1,812,000	$1,739,520	$77,297,624
2009	$1,812,000	*	$1,812,000	$1,739,520	$79,037,144
2010	$1,812,000	*	$1,812,000	$1,739,520	$80,776,664
2011	$1,812,000	*	$1,812,000	$1,739,520	$82,516,184
2012	$1,812,000	*	$1,812,000	$1,739,520	$84,255,704
2013	$1,812,000	*	$1,812,000	$1,739,520	$85,995,224
2014	$1,812,000	*	$1,812,000	$1,739,520	$87,734,744
2015	$1,812,000	*	$1,812,000	$1,739,520	$89,474,264
2016	$1,812,000	*	$1,812,000	$1,739,520	$91,213,784
2017	$1,812,000	*	$1,812,000	$1,739,520	$92,953,304

* *Although no appropriations are assumed for the purpose of these calculations, Reclamation may obtain appropriations each Fiscal Year.*

(1) Fiscal Year 1988 includes 16 months, is the first Fiscal Year of the Contract period, and the first year in which replacements were expensed. The last Fiscal Year of the Contract period is 2017.

(2) Assumed annual replacement investments through 2017 based on schedule provided by Western on October 4, 1994. The values in this column will be adjusted to include interest during construction on replacements which are not placed in service in the year expenditure is made. This example does not reflect that adjustment. Table A.2.3 explains how such adjustment would be made. Estimates will be updated each Fiscal Year, as actual values are recorded and better estimates are developed for the balance of the term of the Contracts.

(3) Portion of replacements in Column (2) that is funded with appropriations. Although no appropriations are shown in this example, appropriations may be obtained through the Regional Director's budget each Fiscal Year.

(4) Difference between Columns (2) and (3), representing the replacements which are expensed and paid in full by the Contractors in the current Fiscal Year.

(5) Equivalent to 96% of the amounts in Column (4).

(6) Cumulative Replacement Capital Advances from Column (5).

05-Oct-94

TABLE A.2.1
CAPITAL (PRINCIPAL) RECOVERED IF REPLACEMENT CAPITAL ADVANCES ARE FUNDED BY APPROPRIATIONS

	(1)	(2)	(3)
	Fiscal Year	Annual Capital Recovered if Replacements Are Funded By Appropriations	Cumulative Capital Recovered With Appropriations
Actual Values:			
	1988	$0	$0
	1989	$6,637	$6,637
	1990	$9,764	$16,401
	1991	$16,944	$33,345
	1992	$23,049	$56,395
	1993	$35,656	$92,050
Forecast Values:			
	1994	$50,448	$142,498
	1995	$71,975	$214,473
	1996	$91,536	$306,009
	1997	$111,569	$417,579
	1998	$135,023	$552,602
	1999	$155,224	$707,826
	2000	$176,744	$884,569
	2001	$194,573	$1,079,143
	2002	$213,772	$1,292,915
	2003	$234,444	$1,527,359
	2004	$256,706	$1,784,065
	2005	$280,679	$2,064,744
	2006	$306,496	$2,371,240
	2007	$334,302	$2,705,542
	2008	$364,250	$3,069,792
	2009	$396,506	$3,466,298
	2010	$431,251	$3,897,549
	2011	$468,679	$4,366,228
	2012	$508,997	$4,875,225
	2013	$552,432	$5,427,658
	2014	$599,228	$6,026,885
	2015	$649,645	$6,676,530
	2016	$703,967	$7,380,497
	2017	$762,500	$8,142,997

(1) Fiscal Year 1988 includes 16 months, is the first Fiscal Year of the contract period, and the first year in which replacements were expensed. The last Fiscal Year of the contract period is 2017.

(2) Total annual principal which would have been paid each Fiscal Year by the Contractors, representing the capital recovered annually by the United States if appropriations were used instead of Replacement Capital Advances. The annual amount is equal to the principal payments calculated in (Column (D) of Table A.2.2, summed for ail Fiscal Years.

(3) Cumulative capital recovered by the United States if replacements were funded with appropriations, from Column (2).

TABLE A.2.2
ANNUAL CAPITAL (PRINCIPAL) RECOVERED IF REPLACEMENT CAPITAL
ADVANCES ARE FUNDED WITH APPROPRIATIONS

	FISCAL YEAR: 1988					FISCAL YEAR: 1989				
	BOP	Payments			EOP	BOP	Payments			EOP
Fiscal Year	Remaining Principal	P&I	8.5000% Interest	Principal	Remaining Principal	Remaining Principal	P&I	9.2500% Interest	Principal	Remaining Principal
(t)	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)
1988	4,535,747	0	0	0	4,535,747	0	0	0	0	0
1989	4,535,747	392,176	385,538	6,637	4,529,109	2,281,864	0	0	0	2,281,864
1990	4,529,109	392,176	384,974	7,202	4,521,908	2,281,864	213,635	211,072	2,562	2,279,302
1991	4,521,908	392,176	384,362	7,814	4,514,094	2,279,302	213,635	210,835	2,799	2,276,503
1992	4,514,094	392,176	383,698	8,478	4,505,616	2,276,503	213,635	210,577	3,058	2,273,445
1993	4,505,616	392,176	382,977	9,199	4,496,418	2,273,445	213,635	210,294	3,341	2,270,104
1994	4,496,418	392,176	382,196	9,980	4,486,438	2,270,104	213,635	209,985	3,650	2,266,454
1995	4,486,438	392,176	381,347	10,829	4,475,609	2,266,454	213,635	209,647	3,988	2,262,467
1996	4,475,609	392,176	380,427	11,749	4,463,860	2,262,467	213,635	209,278	4,356	2,258,110
1997	4,463,860	392,176	379,428	12,748	4,451,112	2,258,110	213,635	208,875	4,759	2,253,351
1998	4,451,112	392,176	378,345	13,831	4,437,281	2,253,351	213,635	208,435	5,200	2,248,151
1999	4,437,281	392,176	377,169	15,007	4,422,274	2,248,151	213,635	207,954	5,681	2,242,471
2000	4,422,274	392,176	375,893	16,282	4,405,992	2,242,471	213,635	207,429	6,206	2,236,265
2001	4,405,992	392,176	374,509	17,667	4,388,325	2,236,265	213,636	206,854	6,780	2,229,485
2002	4,388,325	392,176	373,008	19,168	4,369,157	2,229,485	213,636	206,227	7,407	2,222,077
2003	4,369,157	392,176	371,378	20,797	4,348,359	2,222,077	213,636	205,542	8,092	2,213,985
2004	4,348,359	392,176	369,611	22,566	4,325,794	2,213,985	213,636	204,794	8,841	2,205,144
2005	4,325,794	392,176	367,693	24,483	4,301,311	2,206,144	213,636	203,976	9,659	2,195,485
2006	4,301,311	392,176	365,611	26,564	4,274,747	2,195,485	213,635	203,082	10,552	2,184,933
2007	4,274,747	392,176	363,353	28,822	4,245,924	2,184,933	213,636	202,106	11,528	2,173,405
2008	4,245,924	392,176	360,904	31,272	4,214,652	2,173,405	213,636	201,040	12,595	2,160,810
2009	4,214,652	392,176	358,245	33,930	4,180,722	2,160,810	213,635	199,875	13,760	2,147,051
2010	4,180,722	392,176	355,361	36,814	4,143,907	2,147,051	213,636	198,602	15,032	2,132,018
2011	4,143,907	392,176	352,232	39,944	4,103,964	2,132,018	213,635	197,212	16,423	2,115,596
2012	4,103,964	392,176	348,837	43,339	4,060,625	2,115,596	213,636	195,693	17,942	2,097,653
2013	4,060,625	392,176	345,153	47,023	4,013,602	2,097,653	213,636	194,033	19,602	2,078,052
2014	4,013,602	392,176	341,156	51,020	3,962,582	2,078,052	213,636	192,220	21,415	2,056,637
2015	3,962,582	392,176	336,819	55,356	3,907,226	2,056,637	213,636	190,239	23,396	2,033,241
2016	3,907,226	392,176	332,114	60,062	3,847,164	2,033,241	213,635	188,075	25,560	2,007,681
2017	3,847,164	392,176	327,009	65,167	3,781,998	2,007,681	213,635	185,711	27,924	1,979,757
2018	3,781,998	392,176	321,470	70,706	3,711,292	1,979,757	213,636	183,128	30,507	1,949,250
2019	3,711,292	392,176	315,460	76,716	3,634,576	1,949,250	213,636	180,306	33,329	1,915,921
2020	3,634,576	392,176	308,939	83,237	3,551,339	1,915,921	213,635	177,223	36,412	1,879,510
2021	3,551,339	392,176	301,864	90,312	3,461,027	1,879,510	213,635	173,855	39,780	1,839,730
2022	3,461,027	392,176	294,187	97,989	3,363,038	1,839,730	213,636	170,175	43,460	1,796,270
2023	3,363,038	392,176	285,858	106,318	3,256,721	1,796,270	213,636	166,155	47,480	1,748,790
2024	3,256,721	392,176	276,821	115,356	3,141,366	1,748,790	213,636	161,763	51,871	1,696,919
2025	3,141,366	392,176	267,016	125,160	3,016,206	1,696,919	213,635	156,965	56,670	1,640,249
2026	3,016,206	392,176	256,378	135,798	2,880,408	1,640,249	213,635	151,723	61,911	1,578,338
2027	2,880,408	392,176	244,835	147,341	2,733,067	1,578,338	213,636	145,996	67,638	1,510,700
2028	2,733,067	392,176	232,311	159,865	2,573,202	1,510,700	213,636	139,740	73,895	1,436,805
2029	2,573,202	392,176	218,722	173,454	2,399,748	1,436,805	213,635	132,904	80,730	1,356,075
2030	2,399,748	392,176	203,979	188,197	2,211,551	1,356,075	213,635	125,437	88,198	1,267,877
2031	2,211,551	392,176	187,982	204,194	2,007,357	1,267,877	213,636	117,279	96,356	1,171,521
2032	2,007,357	392,176	170,625	221,550	1,785,807	1,171,521	213,636	108,366	105,269	1,066,252
2033	1,785,807	392,176	151,794	240,382	1,545,424	1,066,252	213,636	98,628	115,006	951,246
2034	1,545,424	392,176	131,361	260,815	1,284,610	951,246	213,635	87,990	125,644	825,602
2035	1,284,610	392,176	109,192	282,984	1,001,626	825,602	213,636	76,368	137,266	688,335
2036	1,001,626	392,176	85,138	307,038	694,588	688,335	213,635	63,671	149,964	538,372
2037	694,588	392,176	59,040	333,136	361,452	538,372	213,636	49,799	163,835	374,536
2038	361,452	392,176	30,723	361,452	0	374,536	213,636	34,645	178,990	195,547
2039	0	0	0	0	0	195,547	213,635	18,088	195,547	0
2040	0	0	0	0	0	0	0	0	0	0
2041	0	0	0	0	0	0	0	0	0	0
2042	0	0	0	0	0	0	0	0	0	0
2043	0	0	0	0	0	0	0	0	0	0
2044	0	0	0	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0	0	0	0
2046	0	0	0	0	0	0	0	0	0	0
2047	0	0	0	0	0	0	0	0	0	0
2048	0	0	0	0	0	0	0	0	0	0
2049	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0

TABLE A 2 2
ANNUAL CAPITAL (PRINCIPAL) RECOVERED IF REPLACEMENT CAPITAL ADVANCES ARE FUNDED WITH APPROPRIATIONS

	FISCAL YEAR: 1990					FISCAL YEAR: 1991				
Fiscal Year	BOP Remaining Principal	Payments: P&I	Payments: 8.8750% Interest	Payments: Principal	EOP Remaining Principal	BOP Remaining Principal	Payments: P&I	Payments: 8.7500% Interest	Payments: Principal	EOP Remaining Principal
(t)	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)
1988	0	0	0	0	0	0	0	0	0	0
1989	0	0	0	0	0	0	0	0	0	0
1990	4,937,697	0	0	0	4,937,697	0	0	0	0	0
1991	4,937,697	444,552	438,221	6,332	4,931,365	3,447,396	0	0	0	3,447,396
1992	4,931,365	444,552	437,659	6,894	4,924,471	3,447,396	306,267	301,647	4,620	3,442,777
1993	4,924,471	444,552	437,047	7,505	4,916,966	3,442,777	306,267	301,243	5,024	3,437,752
1994	4,916,966	444,552	436,381	8,171	4,908,795	3,437,752	306,267	300,803	5,464	3,432,289
1995	4,908,795	444,552	435,656	8,897	4,899,898	3,432,289	306,267	300,325	5,942	3,426,347
1996	4,899,898	444,552	434,866	9,686	4,890,212	3,426,347	306,267	299,805	6,462	3,419,885
1997	4,890,212	444,552	434,006	10,546	4,879,666	3,419,885	306,267	299,240	7,027	3,412,858
1998	4,879,666	444,552	433,070	11,482	4,868,184	3,412,858	306,267	298,625	7,642	3,405,216
1999	4,868,184	444,552	432,051	12,501	4,855,683	3,405,216	306,267	297,956	8,311	3,396,905
2000	4,855,683	444,552	430,942	13,610	4,842,073	3,396,905	306,267	297,229	9,038	3,387,867
2001	4,842,073	444,552	429,734	14,818	4,827,255	3,387,867	306,267	296,438	9,829	3,378,038
2002	4,827,255	444,552	428,419	16,133	4,811,121	3,378,038	306,267	295,578	10,689	3,367,349
2003	4,811,121	444,552	426,987	17,565	4,793,556	3,367,349	306,267	294,643	11,624	3,355,725
2004	4,793,556	444,552	425,428	19,124	4,774,432	3,355,725	306,267	293,626	12,641	3,343,084
2005	4,774,432	444,552	423,731	20,821	4,753,611	3,343,084	306,267	292,520	13,747	3,329,337
2006	4,753,611	444,552	421,883	22,669	4,730,942	3,329,337	306,267	291,317	14,950	3,314,386
2007	4,730,942	444,552	419,871	24,681	4,706,260	3,314,386	306,267	290,009	16,258	3,298,128
2008	4,706,260	444,552	417,681	26,872	4,679,389	3,298,128	306,267	288,586	17,681	3,280,447
2009	4,679,389	444,552	415,296	29,256	4,650,132	3,280,447	306,267	287,039	19,228	3,261,219
2010	4,650,132	444,552	412,699	31,853	4,618,279	3,261,219	306,267	285,357	20,910	3,240,309
2011	4,618,279	444,552	409,872	34,680	4,583,600	3,240,309	306,267	283,527	22,740	3,217,568
2012	4,583,600	444,552	406,794	37,758	4,545,842	3,217,568	306,267	281,537	24,730	3,192,839
2013	4,545,842	444,552	403,443	41,109	4,504,733	3,192,839	306,267	279,373	26,894	3,165,945
2014	4,504,733	444,552	399,795	44,757	4,459,976	3,165,945	306,267	277,020	29,247	3,136,698
2015	4,459,976	444,552	395,823	48,729	4,411,247	3,136,698	306,267	274,461	31,806	3,104,892
2016	4,411,247	444,552	391,498	53,054	4,358,193	3,104,892	306,267	271,678	34,589	3,070,303
2017	4,358,193	444,552	386,790	57,763	4,300,430	3,070,303	306,267	268,651	37,616	3,032,687
2018	4,300,430	444,552	381,663	62,889	4,237,541	3,032,687	306,267	265,360	40,907	2,991,780
2019	4,237,541	444,552	376,082	68,470	4,169,071	2,991,780	306,267	261,781	44,486	2,947,293
2020	4,169,071	444,552	370,005	74,547	4,094,523	2,947,293	306,267	257,888	48,379	2,898,914
2021	4,094,523	444,552	363,389	81,163	4,013,360	2,898,914	306,267	253,655	52,612	2,846,302
2022	4,013,360	444,552	356,186	88,366	3,924,994	2,846,302	306,267	249,051	57,216	2,789,087
2023	3,924,994	444,552	348,343	96,209	3,828,785	2,789,087	306,267	244,045	62,222	2,726,865
2024	3,828,785	444,552	339,805	104,748	3,724,037	2,726,865	306,267	238,601	67,666	2,659,198
2025	3,724,037	444,552	330,508	114,044	3,609,993	2,659,198	306,267	232,680	73,587	2,585,611
2026	3,609,993	444,552	320,387	124,165	3,485,828	2,585,611	306,267	226,241	80,026	2,505,585
2027	3,485,828	444,552	309,367	135,185	3,350,643	2,505,585	306,267	219,239	87,028	2,418,556
2028	3,350,643	444,552	297,370	147,183	3,203,460	2,418,556	306,267	211,624	94,643	2,323,913
2029	3,203,460	444,552	284,307	160,245	3,043,215	2,323,913	306,267	203,342	102,925	2,220,988
2030	3,043,215	444,552	270,085	174,467	2,868,748	2,220,988	306,267	194,336	111,931	2,109,057
2031	2,868,748	444,552	254,601	189,951	2,678,798	2,109,057	306,267	184,543	121,725	1,987,333
2032	2,678,798	444,552	237,743	206,809	2,471,989	1,987,333	306,267	173,892	132,376	1,854,957
2033	2,471,989	444,552	219,389	225,163	2,246,825	1,854,957	306,267	162,309	143,958	1,710,999
2034	2,246,825	444,552	199,406	245,146	2,001,679	1,710,999	306,267	149,712	156,555	1,554,444
2035	2,001,679	444,552	177,649	266,903	1,734,776	1,554,444	306,267	136,014	170,253	1,384,191
2036	1,734,776	444,552	153,961	290,591	1,444,185	1,384,191	306,267	121,117	185,150	1,199,040
2037	1,444,185	444,552	128,171	316,381	1,127,804	1,199,040	306,267	104,916	201,351	997,689
2038	1,127,804	444,552	100,093	344,459	783,345	997,689	306,267	87,298	218,969	778,720
2039	783,345	444,552	69,522	375,030	408,314	778,720	306,267	68,138	238,129	540,590
2040	408,314	444,552	36,238	408,314	(0)	540,590	306,267	47,302	258,965	281,625
2041	0	0	0	0	0	281,625	306,267	24,642	281,625	0
2042	0	0	0	0	0	0	0	0	0	0
2043	0	0	0	0	0	0	0	0	0	0
2044	0	0	0	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0	0	0	0
2046	0	0	0	0	0	0	0	0	0	0
2047	0	0	0	0	0	0	0	0	0	0
2048	0	0	0	0	0	0	0	0	0	0
2049	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0

05-Oct-94

TABLE A22
ANNUAL CAPITAL (PRINCIPAL) RECOVERED IF REPLACEMENT CAPITAL ADVANCES ARE FUNDED WITH APPROPRIATIONS

	FISCAL YEAR: 1992					FISCAL YEAR: 1993				
	BOP Remaining Principal	Payments			EOP Remaining Principal	BOP Remaining Principal	Payments			EOP Remaining Principal
Fiscal Year		P&I	8.5000% Interest	Principal			P&I	7.8750% Interest	Principal	
(1)	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)
1988	0	0	0	0	0	0	0	0	0	0
1989	0	0	0	0	0	0	0	0	0	0
1990	0	0	0	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0	0	0	0
1992	7,234,707	0	0	0	7,234,707	0	0	0	0	0
1993	7,234,707	625,537	614,950	10,587	7,224,120	6,425,333	0	0	0	6,425,333
1994	7,224,120	625,537	614,050	11,487	7,212,633	6,425,333	517,691	505,995	11,696	6,413,637
1995	7,212,633	625,537	613,074	12,463	7,200,170	6,413,637	517,691	505,074	12,617	6,401,020
1996	7,200,170	625,537	612,014	13,522	7,186,648	6,401,020	517,691	504,080	13,610	6,387,410
1997	7,186,648	625,537	610,865	14,672	7,171,976	6,387,410	517,691	503,009	14,682	6,372,727
1998	7,171,976	625,537	609,618	15,919	7,156,057	6,372,727	517,691	501,852	15,839	6,356,889
1999	7,156,057	625,537	608,265	17,272	7,138,785	6,356,889	517,691	500,606	17,086	6,339,803
2000	7,138,785	625,537	606,797	18,740	7,120,045	6,339,803	517,691	499,260	18,431	6,321,372
2001	7,120,045	625,537	605,204	20,333	7,099,712	6,321,372	517,691	497,808	19,883	6,301,489
2002	7,099,712	625,537	603,475	22,061	7,077,650	6,301,489	517,691	496,242	21,448	6,280,041
2003	7,077,650	625,537	601,600	23,937	7,053,714	6,280,041	517,691	494,553	23,138	6,256,903
2004	7,053,714	625,537	599,566	25,971	7,027,742	6,256,903	517,691	492,731	24,960	6,231,944
2005	7,027,742	625,537	597,358	28,179	6,999,563	6,231,944	517,691	490,766	26,925	6,205,018
2006	6,999,563	625,537	594,963	30,574	6,968,989	6,205,018	517,691	488,645	29,046	6,175,973
2007	6,968,989	625,537	592,364	33,173	6,935,817	6,175,973	517,691	486,358	31,333	6,144,640
2008	6,935,817	625,537	589,544	35,993	6,899,824	6,144,640	517,691	483,890	33,800	6,110,840
2009	6,899,824	625,537	586,485	39,052	6,860,772	6,110,840	517,691	481,229	36,462	6,074,378
2010	6,860,772	625,537	583,166	42,371	6,818,401	6,074,378	517,691	478,357	39,334	6,035,044
2011	6,818,401	625,537	579,564	45,973	6,772,428	6,035,044	517,691	475,260	42,431	5,992,613
2012	6,772,428	625,537	575,656	49,881	6,722,548	5,992,613	517,691	471,918	45,772	5,946,840
2013	6,722,548	625,537	571,417	54,120	6,668,427	5,946,840	517,691	468,314	49,377	5,897,463
2014	6,668,427	625,537	566,816	58,721	6,609,707	5,897,463	517,691	464,425	53,266	5,844,198
2015	6,609,707	625,537	561,825	63,712	6,545,995	5,844,198	517,691	460,231	57,460	5,786,738
2016	6,545,995	625,537	556,410	69,127	6,476,867	5,786,738	517,691	455,706	61,985	5,724,753
2017	6,476,867	625,537	550,534	75,003	6,401,864	5,724,753	517,691	450,824	66,866	5,657,888
2018	6,401,864	625,537	544,158	81,379	6,320,485	5,657,888	517,691	445,558	72,132	5,585,754
2019	6,320,485	625,537	537,241	88,296	6,232,190	5,585,754	517,691	439,878	77,813	5,507,941
2020	6,232,190	625,537	529,736	95,801	6,136,389	5,507,941	517,691	433,750	83,940	5,424,001
2021	6,136,389	625,537	521,593	103,944	6,032,445	5,424,001	517,691	427,140	90,551	5,333,450
2022	6,032,445	625,537	512,758	112,779	5,919,666	5,333,450	517,691	420,009	97,682	5,235,768
2023	5,919,666	625,537	503,172	122,365	5,797,301	5,235,768	517,691	412,317	105,374	5,130,394
2024	5,797,301	625,537	492,771	132,766	5,664,535	5,130,394	517,691	404,019	113,672	5,016,722
2025	5,664,535	625,537	481,485	144,051	5,520,483	5,016,722	517,691	395,067	122,624	4,894,098
2026	5,520,483	625,537	469,241	156,296	5,364,188	4,894,098	517,691	385,410	132,281	4,761,818
2027	5,364,188	625,537	455,956	169,581	5,194,607	4,761,818	517,691	374,993	142,698	4,619,120
2028	5,194,607	625,537	441,542	183,995	5,010,611	4,619,120	517,691	363,756	153,935	4,465,185
2029	5,010,611	625,537	425,902	199,635	4,810,976	4,465,185	517,691	351,633	166,057	4,299,128
2030	4,810,976	625,537	408,933	216,604	4,594,372	4,299,128	517,691	338,556	179,134	4,119,993
2031	4,594,372	625,537	390,522	235,015	4,359,357	4,119,993	517,691	324,449	193,241	3,926,752
2032	4,359,357	625,537	370,545	254,992	4,104,365	3,926,752	517,691	309,232	208,459	3,718,293
2033	4,104,365	625,537	348,871	276,666	3,827,700	3,718,293	517,691	292,816	224,875	3,493,418
2034	3,827,700	625,537	325,354	300,182	3,527,517	3,493,418	517,691	275,107	242,584	3,250,834
2035	3,527,517	625,537	299,839	325,698	3,201,819	3,250,834	517,691	256,003	261,688	2,989,146
2036	3,201,819	625,537	272,155	353,382	2,848,437	2,989,146	517,691	235,395	282,295	2,706,851
2037	2,848,437	625,537	242,117	383,420	2,465,017	2,706,851	517,691	213,164	304,526	2,402,324
2038	2,465,017	625,537	209,526	416,010	2,049,007	2,402,324	517,691	189,183	328,508	2,073,817
2039	2,049,007	625,537	174,166	451,371	1,597,636	2,073,817	517,691	163,313	354,378	1,719,439
2040	1,597,636	625,537	135,799	489,738	1,107,897	1,719,439	517,691	135,406	382,285	1,337,154
2041	1,107,897	625,537	94,171	531,366	576,532	1,337,154	517,691	105,301	412,390	924,764
2042	576,532	625,537	49,005	576,532	0	924,764	517,691	72,825	444,866	479,899
2043	0	0	0	0	0	479,899	517,691	37,792	479,899	0
2044	0	0	0	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0	0	0	0
2046	0	0	0	0	0	0	0	0	0	0
2047	0	0	0	0	0	0	0	0	0	0
2048	0	0	0	0	0	0	0	0	0	0
2049	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0

TABLE A.2.2

ANNUAL CAPITAL (PRINCIPAL) RECOVERED IF REPLACEMENT CAPITAL ADVANCES ARE FUNDED WITH APPROPRIATIONS

COLUMN DESCRIPTIONS

Column (t)	Fiscal Year 1988 includes 16 months; it is the first Fiscal Year ofthe Contract period and the first year in which replacements were expensed. The last Fiscal Year ofthe Contract period is 2017.
Column (A)	Beginning ofPeriod (BOP) remaining principal equals the Replacement Capital Advance (Column 5 ofTable A1) for the corresponding Fiscal Year. It is then reduced in the next Fiscal Year by the amount ofprincipal paid in that Fiscal Year (Column D).
Column (B)	Principal and interest (P&I) reflects the amortization schedule required to pay offthe Replacement Capital Advances at the current interest rate over a 50 year repayment period beginning in the Fiscal Year following the investment going into service, as described in Section 6.3(b).
Column (C)	The current interest rate is specified in the heading ofthis column. The amount ofinterest for a given Fiscal Year is the product ofthe current interest rate and the BOP remaining principal (Column A).
Column (D)	Principal paid equals P&I (Column B) less interest (Column C). The cumulative sum ofthe Column D values for each Fiscal Year is the annual capital recovered ifreplacements are funded by appropriations, shown in Column (2) ofTable A.2.1.
Column (E)	End ofPeriod (EOP) remaining principal equals the BOP remaining principal (Column A) minus the principal paid (Column D).
Notes:	Only replacement years 1988 through 1993 are shown in Table A.2.2. Similar calculations were performed for 1994-2017 Fiscal Years as well. Actual replacement investments are reflected through 1992, with the budgeted replacement investment shown for 1993. For each replacement year, the calculation will be based on actual annual replacement amounts and the amounts that are expensed.

TABLE A.2.3
CALCULATION OF INTEREST DURING CONSTRUCTION FOR REPLACEMENTS NOT PLACED IN SERVICE IN THE FISCAL YEAR EXPENDITURE IS MADE

The following is an example of the calculation of interest during construction for replacements which are not placed in service in the Fiscal Year in which expenditure is made.

This example will apply only to investments for which no appropriations are available. Assume a replacement with a total cost of $1,000,000 is completed with a mid-year expenditure of $500,000 in Fiscal Year 1995 and another mid-year expenditure of $500,000 in Fiscal 1996, with the investment placed in service immediately prior to the first day of Fiscal Year 1997. The Replacement Capital Advance will be determined in accordance with the following table.

(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year	Replacement Expenditure	Current Interest Rate	Annual IDC	End of Period Investment	Contribution to Annual Replacements
1995	**$500,000**	**7.125%**	**$17,813**	**$517,813**	
1996	**$500,000**	**7.125%**	**$54,707**	**$1,072,519**	
1997					**$1,072,519**

(1) The Fiscal Year.
(2) The actual cost of the replacement. Note that these annual expenditures would not be included in Column (2) of Table A..1. Only the result shown in Column (6), inclusive of IDC, would be shown in Column (2) of Table A.1 for 1997.
(3) The current interest rate for each Fiscal Year, determined in accordance with DOE Order R.A.6120.2.
(4) The interest during construction on the cumulative investment.
(5) The sum of Column (2), Column (4), and the amount in Column (5) from the prior year.
(6) The cumulative investment at the end of Fiscal Year 1996 shown in Column (5). In this example, $1,072,519 would be included in Column (2) of Table A.1 for 1997.

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TABLE A.3
CALCULATION OF REPAYABLE ADVANCES

(1) Fiscal Year	(2) Annual Replacement Capital Advances	(3) Annual Principal Recovered if Replacements Are Funded By Appropriations	(4) Annual Repayable Advances	(5) Cumulative Repayable Advances
Actual Values:				
1988	$4,724,736	$0	$4,724,736	$4,724,736
1989	$2,376,942	$6,637	$2,370,305	$7,095,041
1990	$5,143,434	$9,764	$5,133,670	$12,228,711
1991	$3,591,038	$16,944	$3,574,094	$15,802,805
1992	$7,536,153	$23,049	$7,513,104	$23,315,908
1993	$6,693,055	$35,656	$6,657,399	$29,973,308
Forecast Values:				
1994	$7,619,000	$50,448	$7,568,552	$37,541,860
1995	$6,046,000	$71,975	$5,974,025	$43,515,885
1996	$5,610,000	$91,536	$5,518,464	$49,034,349
1997	$6,460,000	$111,569	$6,348,431	$55,382,779
1998	$4,250,000	$135,023	$4,114,977	$59,497,756
1999	$4,160,000	$155,224	$4,004,776	$63,502,532
2000	$1,812,000	$176,744	$1,635,256	$65,137,789
2001	$1,812,000	$194,573	$1,617,427	$66,755,215
2002	$1,812,000	$213,772	$1,598,228	$68,353,443
2003	$1,812,000	$234,444	$1,577,556	$69,930,999
2004	$1,812,000	$256,706	$1,555,294	$71,486,293
2005	$1,812,000	$280,679	$1,531,321	$73,017,614
2006	$1,812,000	$306,496	$1,505,504	$74,523,118
2007	$1,812,000	$334,302	$1,477,698	$76,000,816
2008	$1,812,000	$364,250	$1,447,750	$77,448,566
2009	$1,812,000	$396,506	$1,415,494	$78,864,060
2010	$1,812,000	$431,251	$1,380,749	$80,244,809
2011	$1,812,000	$468,679	$1,343,321	$81,588,130
2012	$1,812,000	$508,997	$1,303,003	$82,891,133
2013	$1,812,000	$552,432	$1,259,568	$84,150,700
2014	$1,812,000	$599,228	$1,212,772	$85,363,473
2015	$1,812,000	$649,645	$1,162,355	$86,525,828
2016	$1,812,000	$703,967	$1,108,033	$87,633,861
2017	$1,812,000	$762,500	$1,049,500	$88,683,361

(1) Fiscal Year 1988 includes 16 months, is the first Fiscal Year of the Contract period, and the first year in which replacements were expensed. The last Fiscal Year of the contract period is 2017.
(2) Column (5) in Table A.1.
(3) Column (2) in Table A.2.1.
(4) The difference between Columns (2) and (3), representing the annual Repayable Advances.
(5) Cumulative Repayable Advances, from Column (4).

APPENDIX B

VISITOR FACILITIES COST CALCULATIONS

APPENDIX B

VISITOR FACILITIES COST CALCULATIONS

This Appendix documents the development ofthe Estimated Cost Difference to be applied by Reclamation in the evaluation and implementation ofUser Fees, as provided in Section 7 ofthis Agreement.

Table B.1 Calculates the Estimated Final Cost, the Preliminary Estimated Cost and the Estimated Cost Difference.

Table B.2 Documents the calculation ofthe interest during construction (IDC) on the Preliminary Estimated Cost.

Table B.3 Calculates the portion ofthe annual principal and interest due on the Visitor Facilities associated with the Estimated Cost Difference.

Table B.4 Calculates the weighted average interest rate applied to estimate the annual principal and interest on the Visitor Facilities.

Table B.5 Documents the calculation ofIDC and the Estimated Final Cost.

TABLE B.1

VISITOR FACILITIES
DIFFERENCE IN COST ESTIMATES
($ X 1000)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	PRELIMINARY ESTIMATED COST CALCULATION							ESTIMATED FINAL COST			
Year	Cost Indexing Rate	Compound Indexing Rate	Interest Rate	Before Escl. and IDC	Escalated	IDC	Preliminary Estimated Cost	Amounts Advanced	IDC	Estimated Final Cost	Estimated Cost Difference
1984	1.5%	1.015	12.76%	271.5	275.5	17.6	293.1	600.0	-	-	-
1985	1.8%	1.033	12.76%	222.3	229.6	52.0	574.8	500.0	-	-	-
1986	1.3%	1.046	10.78%	1,114.7	1,166.3	134.8	1,875.8	2,539.7	-	-	-
1987	1.3%	1.059	7.64%	1,140.1	1,207.7	251.9	3,335.5	2,630.0	-	-	-
1988	3.0%	1.091	9.59%	73.5	80.2	330.1	3,745.7	174.5	-	-	-
1989	4.2%	1.137	9.33%	1,090.5	1,239.8	421.3	5,406.8	2,699.9	-	-	-
1990	3.5%	1.176	8.29%	2,636.6	3,101.6	634.5	9,143.0	6,754.3	-	-	-
1991	2.9%	1.211	9.20%	6,760.2	8,186.2	1,209.1	18,538.4	17,827.0	-	-	-
1992	1.4%	1.227	8.16%	9,557.8	11,731.7	2,143.9	32,414.0	25,547.8	-	-	-
1993	2.9%	1.264	7.51%	1,489.9	1,882.7	2,834.4	37,131.2	4,100.0	-	-	-
1994	3.0%	1.302	6.09%	3,837.8	4,995.2	3,156.1	45,282.4	10,877.8	-	-	-
1995	3.0%	1.341	6.09%	1,062.2	1,424.0	3,543.8	50,250.2	3,101.0	-	-	-
1996	3.0%	1.381	6.09%	2,742.9	3,787.5	115.3	54,153.0	8,248.0	-	-	-
Totals				32,000.0	39,308.1	14,845.0	54,153.0	85,600.1	32,327.4	117,927.5	63,774.5

TABLE B.1

VISITOR FACILITIES
DIFFERENCE IN COST ESTIMATES

COLUMN DESCRIPTIONS

Column (1)	Fiscal Years of investment in the Visitor Facilities.
Column (2)	The rate assumed to index costs from October 1983 price levels based on the U.S. Bureau of Reclamation Construction Cost Trend, as published in the Engineering News Record. A rate of 3% is used after 1993.
Column (3)	The compound inflation rate based on the annual cost indexing rate from Column 2.
Column (4)	The annual interest rate identified by Reclamation staff in a May 1994 telephone conversation.
Column (5)	The Preliminary Estimated Cost before consideration of cost indexing or interest during construction based on a total cost of $32 million as identified in Commissioner Broadbent's testimony. The distribution of costs is such that the escalated schedule in Column (6) reflects a constant percentage of the schedule of costs from Column (9).
Column (6)	The Preliminary Estimated Cost adjusted for inflation based on the compound indexing rate from Column (3).
Column (7)	Interest during construction on the escalated Preliminary Estimated Cost, as developed in Table B.2, Row E.
Column (8)	Total Preliminary Estimated Cost is the cumulative sum of the escalated cost from Column (6), and interest during construction from Column (7).
Column (9)	The schedule of Visitor Facilities costs provided by Reclamation in a May 13, 1994 letter to the Contractors.
Column (10)	Interest during construction as calculated in Table B.5.
Column (11)	The sum of the amounts advanced from Column (9) and the interest during construction from Column (10).
Column (12)	Estimated Cost Difference is the difference between the total Estimated Final Cost from Column (11) and the total Preliminary Estimated Cost from Column (8).

TABLE B.2

VISITOR FACILITIES
IDC COMPONENT OF PRELIMINARY ESTIMATED COST 1/
($ X 1000)

	(1) Year	(2) Investment 2/	(3) 1984	(4) 1985	(5) 1986	(6) 1987	(7) 1988	(8) 1989	(9) 1990	(10) 1991	(11) 1992	(12) 1993	(13) 1994	(14) 3/ 1995	(15) 1996
	1984	276	18	35	35	35	35	35	35	35	35	35	35	35	
	1985	230		15	29	29	29	29	29	29	29	29	29	29	
	1986	1,166			63	126	126	126	126	126	126	126	126	126	
	1987	1,208				46	92	92	92	92	92	92	92	92	
	1988	80					4	8	8	8	8	8	8	8	
	1989	1,240						58	116	116	116	116	116	116	
	1990	3,102							129	257	257	257	257	257	
	1991	8,186								377	753	753	753	753	
	1992	11,732									479	957	957	957	
	1993	1,883										71	141	141	
	1994	4.995											152	304	
	1995	1,424												43	
	1996	3,788													115
A)	Total Cost	39.308													
	Total Current Interest		18	50	127	236	286	348	534	1,040	1,895	2,444	2,667	2.863	115
C)	Current Interest Rate		12.76%	12.76%	10.78%	7.64%	9.59%	9.33%	8.29%	9.20%	8.16%	7.51%	6.09%	6.09%	6.09%
(D)	Current Interest on IDC 4/			2	8	16	44	73	100	170	249	390	489	681	
(E)	Total IDC 5/		18	52	135	252	330	421	634	1,209	2,144	2,834	3,156	3,544	115
(F)	Cumulative IDC		18	70	204	456	786	1,208	1.842	3,051	5,195	8,030	11,186	14,730	14,845

1/ Assumes mid-period disbursements.
2/ From column (6) of Table B.1. Page 1.
3/ No IDC accumulates after 1995 on expenditures made from 1984 through 1995.
4/ Row (B) provides total current interest on construction work in progress. Row (D) calculates the cost of carrying IDC at the current Interest rate as the product of the cumulative IDC from the prior period from row (F), and the current Interest rate.
5/ Total IDC Is the sum of the Total Current Interest from row (B), and the Current Interest on IDC from row (D).

TABLE B.3

VISITOR FACILITIES
ALLOCATION OF PRINCIPAL AND INTEREST
ASSOCIATED WITH ESTIMATED COST DIFFERENCE
($ X 1000)

(1)	(2)	(3)	(4)
Year	Scheduled Payment	Ratio of Estimated Cost Difference to Estimated Final Cost	Principal and Interest on Estimated Cost Difference
1996	8.727	0.541	4,719
1997	9,404	0.541	5,086
1998	9,404	0.541	5,086
1999	9,404	0.541	5,086
2000	9,404	0.541	5,086
2001	9,404	0.541	5,086
2002	9,404	0.541	5,086
2003	9,404	0.541	5,086
2004	9,404	0.541	5,086
2005	9,404	0.541	5,086
2006	9,404	0.541	5,086
2007	9,404	0.541	5,086
2008	9,404	0.541	5,086
2009	9,404	0.541	5,086
2010	9,404	0.541	5,086
2011	9,404	0.541	5,086
2012	9,404	0.541	5,086
2013	9,404	0.541	5,086
2014	9,404	0.541	5,086
2015	9,404	0.541	5,086
2016	9,404	0.541	5,086
2017	9,404	0.541	5,086
TOTALS	206,218		111,522

Column (1) Years of contract period over which Visitors' Facility costs will be charged.

Column (2) Amortization of expenditures through 1995 will begin in 1996. The 1996 payment is the total cost of 109,428,346 for expenses incurred during the 1984-1995 period, amortized at 7.787% (from column 6 of Table B.4) over 50 years.
The total 1984-1995 cost is the sum of the total of column 9 of Table B.1 for the 1984-1995 period, 77,352,066 , and the 1995 Cumulative IDC in row (F), column 14 of Table B.5, 32,076,279
The amortization of the 1996 expenditure begins in 1997. These payments are based on a total cost of $117,927,497 from column 11 of Table B.1, amortized over 50 years at 7.787% from column 6 of Table B.4.

Column (3) The ratio of Estimated Cost Difference to Estimated Final Cost is the portion of total Visitors' Facility costs to be recovered from other sources of revenue.
$63,774,467 from column 12 of Table B.1 divided by $117,927,497 from column 11 of Table B.1.

Column (4) Column (2) times column (3). This represents the annual additional investment cost, which together with operation, maintenance and replacements on the Visitors' Facility, is to be collected through user fees.

TABLE B.4

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VISITOR FACILITIES
WEIGHTED AVERAGE INTEREST RATE
($ x 1000)

(1) Year	(2) Investment	(3) IDC	(4) Total	(5) Interest	(6) Calculation of Weighted Average
1984	600	38	638	12.76%	81
1985	500	113	613	12.76%	78
1986	2,540	294	2,833	10.78%	305
1987	2,630	549	3,179	7.64%	243
1988	175	719	893	9.59%	86
1989	2,700	918	3,617	9.33%	338
1990	6,754	1,382	8,136	8.29%	674
1991	17,827	2,633	20,460	9.20%	1,883
1992	25,548	4,669	30,217	8.16%	2,466
1993	4,100	6,172	10,272	7.51%	771
1994	10,878	6,873	17,751	6.09%	1,081
1995	3,101	7,717	10,818	6.09%	659
1996	8,248	251	8,499	6.09%	518
Totals	85,600	32,327	117,927	-	9,183
WEIGHTED AVERAGE INTEREST RATE 1/					**7.787%**

Column (2) Actual costs from Table B.1, Page 1 of 2, column 9
Column (3) Total IDC based on Table B.5, row E.
Column (4) Sum of column (2) and column (3).
Column (5) From Table B.1,Page 1 of 2, column (4).
Column (6) Product of column (4) and column (5).

1_/ Weighted Avg Interest Rate is ratio of total from column (6) to total from column (4).

TABLE B.5

VISITOR FACILITIES
IDC COMPONENT OF ESTIMATED FINAL COST \J
($ X 1000)

(1) Year	(2) Investment 2_/	(3) 1984	(4) 1985	(5) 1986	(6) 1987	(7) 1988	(8) 1989	(9) 1990	(10) 1991	(11) 1992	(12) 1993	(13) 1994	(14) 3_/ 1995	(15) 1996
1984	600	38	77	77	77	77	77	77	77	77	77	77	77	
1985	500		32	64	64	64	64	64	64	64	64	64	64	
1986	2.540			137	274	274	274	274	274	274	274	274	274	
1987	2.630				100	201	201	201	201	201	201	201	201	
1988	175					8	17	17	17	17	17	17	17	
1989	2,700						126	252	252	252	252	252	252	
1990	6.754							280	560	560	560	560	560	
1991	17.827								820	1,641	1,641	1.641	1,641	
1992	25.548									1,042	2,085	2,085	2,085	
1993	4,100										154	308	308	
1994	10,878											331	662	
1995	3,101												94	
1996	8,248													251
(A) Total Cost	85,600													
(B) Total Current Interest		38	108	277	515	623	758	1.164	2,264	4.127	5,323	5,808	6,234	251
(C) Current Interest Rate		12.76%	12.76%	10.78%	7.64%	9.59%	9.33%	8.29%	9.20%	8.16%	7.51%	6.09%	6.09%	6.09%
(D) Current Interest on IDC 3_/			5	16	34	95	160	218	369	542	850	1.065	1,483	
(E) Total IDC 4_/		38	113	294	549	719	918	1,382	2,633	4,689	6.172	6,873	7.717	251
(F) Cumulative IDC		38	152	445	994	1.713	2,630	4,012	6.645	11.314	17,486	24,359	32,076	32,327

\J Assumes mid-period disbursements.
2_/ From column (9) of Table B.1. Page 1.
3_/ No IDC accumulates after 1995 on expenditures made from 1984 through 1995.
4_/ Row (B) provides total current Interest on construction work in progress, row (D) calculates the cost of carrying IDC at the current interest rate as the product of the cumulative IDC from the prior period from row (F) and the current interest rate.
5_/ Total IDC is the sum of the Total Current Interest from row (B), and the Current Interest or IDC from row (D).

APPENDIX C

COMMITTEE REPRESENTATIVES

APPENDIX C
COMMITTEE REPRESENTATIVES

Coordinating Committee:
- Arizona Power Authority:
- Colorado River Commission of Nevada:
- City of Boulder City, Nevada:
- Metropolitan Water District:
- Los Angeles Department of Water and Power:
- Southern California Edison
- City of Anaheim:
- City of Azusa:
- City of Banning:
- City of Burbank:
- City of Colton:
- City of Glendale:
- City of Pasadena:
- City of Riverside:
- City of Vernon:
- Western Area Power Administration:
- Bureau of Reclamation:

E&OC:
- Arizona Power Authority:
- Colorado River Commission of Nevada:
- City of Boulder City, Nevada:
- Metropolitan Water District:
- Los Angeles Department of Water and Power:
- Southern California Edison
- City of Anaheim:
- City of Azusa:
- City of Banning:
- City of Burbank:
- City of Colton:
- City of Glendale:
- City of Pasadena:
- City of Riverside:
- City of Vernon:
- Western Area Power Administration:
- Bureau of Reclamation:

APPENDIX D

TEN YEAR OPERATING PLAN

APPENDIXD
TEN YEAR OPERATING PLAN

1. **TEN-YEAR OPERATING PLAN FOR THE PROJECT:** The plan will be organized into a report containing the following sections and information unless Western and Reclamation, in coordination with the E&OC, agree otherwise.

SECTION 1 - PLAN SUMMARY

This section ofthe report contains a narrative summary ofthe ten year operating plan with supporting tables, charts, and graphs, as appropriate.

SECTION 2 - HISTORIC OPERATING STATISTICS

This section ofthe report contains tables, graphs, charts, and narrative discussions, as appropriate, regarding historic operating statistics for the Project for the most recently completed five fiscal years for the following categories:

A. Generation:

(a) Hydrology

(b) Generation Output

(c) Generating Unit Availability Factors

(d) Outage Schedules and Causes

(e) Revenues from Sale ofElectric Power

(f) Plant Efficiency Factors

B. Operation & Maintenance:

(a) Reclamation Operation Line Items and Costs

(b) Reclamation Maintenance Line Items and Costs

(c) Reclamation Extraordinary Maintenance Line Items and Costs

(d) Reclamation Environmental Compliance Line Items and Costs, if available

(e) Reclamation Other Significant Compliance Items and Costs

(f) Western Operation Line Items and Costs

(g) Western Maintenance Line Items and Costs

(h) Western Extraordinary Maintenance Line Items and Costs

(i) Western Environmental Compliance Line Items and Costs, if available

(j) Western Other Significant Compliance Items and Costs

C. Replacements:

(a) Reclamation Replacement Line Items and Costs

(b) Western Replacement Line Items and Costs

D. Additions and Betterments:

(a) Reclamation Additions and Betterments Line Items and Costs

(b) Western Additions and Betterments Line Items and Costs

E. Administrative and General:

(a) Reclamation Administrative and General Costs

(b) Western Administrative and General Costs

(c) General Western Allocation Costs

F. Staffing Levels

G. Visitor Services

(a) Visitor Levels

(b) Visitor Service Revenues

(c) Visitor Facilities Operation and Maintenance Line Items and Costs

(d) Visitor Facilities Capital Additions and Costs

H. Multi-Project Allocations

(a) Multi-Project Expenses distributed to the Project by other Western and Reclamation projects

(b) Multi-Project Revenues Received by the Project from other Western and Reclamation projects

SECTION 3 - BUDGET EXECUTION

This section ofthe report contains tables and graphs comparing planned expenditures and anticipated revenues for the most recently completed fiscal year to actual expenditures and actual revenues. A narrative explanation shall be provided for those line item deviations between projected and actual expenditures and revenue which are greater than ten percent (10%).

SECTION 4 - REPLACEMENT PROGRAM

This section ofthe report provides information regarding planned Replacements at the Project for the current fiscal year and for the next nine fiscal years. The first five years ofdata will be provided based on specific replacement programs. The second five years ofdata will be provided on the basis ofstrategic planning processes with known items costing $750,000 or more specifically identified. A Replacement Program Summary provides information describing the substantial replacement costs, schedule, and major goals ofthe program for the ten year planning period. A Replacement Program report provides the following information for each Replacement item in the plan:

(a) Description ofthe Replacement item.

(b) Estimated Cost ofthe Replacement item.

(c) Schedule for the Replacement item.

(d) Justification for the Replacement item. Examples ofjustifications could be as follows: test reports, maintenance costs and repair frequency; criteria used to select the equipment for replacement; probability ofequipment failure without replacement in the time period shown; cost and resulting impact from failure ofequipment ifnot replaced; cost/benefit analysis; emergencies; changes in laws and regulations; unavailability ofspare parts; and any other pertinent information or analysis.

SECTION 5 - ADDITIONS AND BETTERMENTS PROGRAM

This section ofthe report provides information regarding planned Additions and Betterments at the Project for the current fiscal year and for the next nine fiscal years. The first five years ofdata will be provided based on specific addition and betterment programs. The second five years ofdata will be provided on the basis ofstrategic planning processes with known items costing $750,000 or more specifically identified. An Additions and Betterments Program Summary provides information describing the substantial overall cost, schedule, and goals of the program for the ten year planning period. An Additions and Betterments Program Detail shall provide the following information for each item in the plan:

(a) Description ofthe Addition and Betterment item.

(b) Estimated Cost ofthe Addition and Betterment item.

(c) Schedule for the Addition and Betterment item.

(d) Justification for the Addition and Betterment item. Examples of justifications could be as follows: a need statement describing why the addition or betterment should be undertaken with supporting data analysis (i.e. data related to improved efficiency, reduced operating costs, increased safety, etc.); criteria and assumptions used to identify the need for the addition or betterment; cost/benefit analysis; changes in laws and regulations; and any other pertinent information or analysis.

SECTION 6 - DAM AND POWER PLANT OPERATION AND MAINTENANCE PROGRAM

This section ofthe report provides information regarding the planned Operation and Maintenance Program at the Project for the current fiscal year and for the next nine fiscal years; staffing projections for the Project and justification for any projected increase; projections ofWestern's and Reclamation's administrative and general, and overhead costs and justification for any projected increase; identifies environmental compliance activities, the cost of those activities, and the need for those activities; and identifies projected extraordinary maintenance activities, the cost of those activities, and the need for those activities.

SECTION 7 - VISITOR FACILITY PROGRAM

This section of the report provides information regarding the planned Visitor Facility Program at the Project for the current fiscal year and for the next nine fiscal years; staffing projections related to visitor services; projections of the operation and maintenance costs for visitor services; and shall provide supporting justification for any projected increase. This section of the report shall provide projections of any capital expenditures to be made in support of visitor services and shall provide supporting justification for any projected expenditure. This section of the report shall provide projections of visitation levels and shall identify and describe visitation enhancement programs. This section of the report shall provide projections of revenues to be received from visitor services.

SECTION 8 - MULTI-PROJECT PROGRAM

This section of the report shall provide information regarding the planned Multi-Project Program at the Project for the current fiscal year and for the next nine fiscal years; projections of multi-project costs to be paid to other Western and Reclamation projects and supporting documentation identifying the methodology and assumptions used to derive those projections; and projection of multi-project revenues to be received from other Western and Reclamation projects and supporting documentation identifying the methodology and assumptions used to derive those projections.

SECTION 9 - HYDROLOGY AND GENERATION PROJECTIONS

This section of the report shall contain projections of flow conditions and generation output for the current fiscal year and for the next nine fiscal years and contains supporting information identifying the methodology and assumptions used to develop the projections.

SECTION 10 - PRELIMINARY POWER REPAYMENT STUDY SPREADSHEET

This section of the report contains a preliminary PRSS projecting Project rates utilizing the projected costs, revenues, and power sales contained in the previous sections of the ten year operating plan and supporting work papers including investment repayment calculations, and interest during construction calculations.

2. TEN-YEAR OPERATING PLAN DEVELOPMENT:

2.1 Western and Reclamation shall meet with the E&OC and its duly appointed technical representatives annually, at a date and time to be determined jointly by Western, Reclamation and the E&OC to present and discuss a "Preliminary" Ten-Year Operating Plan for the Project and determine the schedule for meetings, review and comments on the Ten-Year Operating Plan. The "Preliminary" Ten-Year Operating Plan shall be mailed to the E&OC ten (10) working days prior to the scheduled meeting.

2.2 Western and Reclamation shall meet, based on the schedule determined in Section 2.1 hereof, with the duly appointed technical subcommittees of the E&OC to review and discuss the "Preliminary" Ten-Year Operating Plan for the Project. To the extent practicable, Western and Reclamation will assist the technical subcommittees of the E&OC during field reviews at the Project. Consideration will be given by Western and Reclamation to the suggestions, recommendations, and comments of the technical subcommittees for development of a "Proposed" Ten-Year Operating Plan for the Project.

2.3 Western and Reclamation will meet with the E&OC, based on the schedule determined in Section 2.1 hereof, to present and discuss the "Proposed" Ten-Year Operating Plan for the Project. The "Proposed" Ten-Year Operating Plan shall be mailed to the E&OC ten (10) working days prior to the scheduled meeting.

2.4 The E&OC shall prepare and submit final comments to Western and Reclamation regarding the "Proposed" Ten-Year Operating Plan for the Project based on the schedule determined in Section 2.1 hereof.

2.5 Western and Reclamation shall prepare and submit to the E&OC a "Final" Ten-Year Operating Plan for the Project based on the schedule determined in Section 2.1 hereof.

2.6 The E&OC shall review the "Final" Ten-Year Operating Plan for the Project and each E&OC Member will be provided an opportunity to identify concerns, in writing, with the Ten-Year Operating Plan.

2.7 Western and Reclamation shall respond in writing within sixty (60) days to any concerns expressed by any E&OC Member regarding the "Final" Ten-Year Operating Plan.

APPENDIX E

OPERATING AMOUNT CALCULATION

05-Oct-94

OPERATING AMOUNT
AT THE END OF FY 1993

			Operating Amount		Western's Calculations			Total of Western
Year (1)	Total Accrued Revenues (2)	Total Cash Expenses (3)	Revenues Less Expenses (4)	Current Ending Balance (5)	Adjustments PRSS to CRDF (6)	Working Capital Balance (7)	CRDF Balance (8)	Working Capital PRSS/CRDF Adj. and CRDF Balance (9)
1988	41,905,344	26,629,496	15,275,848	15,275,848	0	0	15,275,848	15,275,848
1989	30,947,397	31,740,943	(793,546)	14,482,302	0	0	14,482,302	14,482,302
1990	32,430,458	38,376,812	(5,946,354)	8,535,948	0	0	8,535,948	8,535,948
1991	37,722,596	35,113,796	2,608,800	11,144,748	0	0	11,144,748	11,144,748
SYA	1,411,814	2,371,358	(959,544)	10,185,204	0	0	10,185,204	
1992	43,964,030	47,273,781	(3,309,751)	6,875,453	5,045,030	0	1,830,423	6,875,453
1993	57,970,072	56,965,706	1,004,366	7,879,819	0	2,834,789	0	7,879,819

Notes:

(1) All data is Fiscal Year data from the PRSS for Rate Order No. WAPA-58 distributed by Western's letter to the Contractors of December 16, 1992. The SYA is Western's "crosswalk" adjustment.

(2) Includes Water Sales (PRSS Column 15), Other Revenue (PRSS Column 16), Energy Revenue (PRSS Column 19), and Capacity Revenue (PRSS Column 23).

(3) Includes Total Expenses (PRSS Column 13) less Working Capital (PRSS Column 6).

(4) Column (2) less Column (3).

(5) Ending balance from previous year, plus Column (4).

(6) PRSS Column 27.

(7) PRSS Column 28.

(8) Carryover Balance in CRDF available to meet revenue requirements in following year (PRSS Column 26). In the PRSS, Western shows the 1992 CRDF Carryover balance as $6,875,453. Only $1,830,423 is carried over to FY 1993 The difference is the "PRSS to CRDF Adjustment".

(9) Sum of Column (7), Column (8) and cumulative PRSS to CRDF adjustments from Column (6).
Note that Column (9) equals Column (5).

APPENDIX F

INITIAL AUDIT SCOPE OF WORK

APPENDIX F
INITIAL AUDIT SCOPE OF WORK

1. GENERAL:

1.1 The initial audit shall establish a financial status "benchmark" of the Project including, but not limited to, specific account balances for investments, unpaid debt, Uprating Credits, expenditures, Federal overhead costs and the cash balance of the Colorado River Dam Fund.

1.2 The initial audit shall use as a basis the audit report and findings of Western's independent auditors prepared for the period ending May 31, 1987.

2. SPECIFIC:

2.1 The audit shall contain a detailed review of internal control procedures, accuracy and legitimacy of costs charged to the Project, and whether such costs are appropriate.

2.2 The audit shall contain a thorough review of all source documents (i.e. time sheets, invoices, vouchers, etc.) for appropriateness.

2.3 The audit shall contain a review of the flow of information from source documents through Reclamation's Financial Management System. The flow of information shall be documented and explained in the audit final report.

2.4 The audit shall contain a review of the financial statements for the Project (both Reclamation and Western) to determine the accuracy and conformance with applicable guidelines.

2.5 The audit shall review and provide recommendations regarding the specific process used by Western in preparing the annual PRSS. The audit will identify where the source information can be found and how the specific numbers are determined.

2.6 The audit shall review and provide recommendations regarding Western's allocation of multi-project costs to the Project. The audit shall determine the basis for the current allocation and whether such basis is reasonable.

2.7 The audit shall identify and establish the Operating Amount and Working Capital as of September 30, 1994.

2.8 The audit shall establish the amount of the Original Imbalance as of September 30, 1995.

APPENDIX G

CONTINGENT CAPACITY, FIRM ENERGY,

AND PROJECT PERCENTAGES

APPENDIX G
CONTINGENT CAPACITY, FIRM ENERGY, AND PROJECT PERCENTAGES

For ease ofunderstanding this Agreement and reference, the following table is meant to duplicate the Contractor's percentage entitlement to Contingent Capacity and Firm Energy pursuant to the Contracts. Contingent Capacity and Firm Energy are given equal weight in calculating the Contractor's Project percentage. When used in a formula in this Agreement, numbers expressed as a percent (i.e. 10.2345%) shall be interpreted to be the decimal equivalent (i.e. 0.102345).

	% ofContingent Capacity	% ofFirm Energy	% ofProject (1)
Arizona:			
Arizona Power Authority	19.3234%	18.9527%	19.1381%
Nevada:			
Colorado River Commission	19.3234%	23.3706%	21.3470%
U. S. (Boulder City)	1.0251%	1.7672%	1.3961%
California:			
Anaheim	2.0503%	1.1487%	1.5995%
Azusa	0.2050%	0.1104%	0.1577%
Banning	0.1025%	0.0442%	0.0733%
Burbank	1.0315%	0.5876%	0.8096%
Colton	0.1538%	0.0884%	0.1211%
Glendale	1.0251%	1.5874%	1.3063%
Los Angeles	25.1602%	15.4229%	20.2915%
Metropolitan Water District	12.6858%	28.5393%	20.6125%
Pasadena	1.0251%	1.3629%	1.1940%
Riverside	1.5377%	0.8615%	1.1996%
Southern California Edison	14.2235%	5.5377%	9.8806%
Vernon	1.1276%	0.6185%	0.8731%

(1) The % ofProject equals the sum ofthe percent ofContingent Capacity plus the percent ofFirm Energy divided by two.

APPENDIX H

GUIDELINES FOR THE DEVELOPMENT OF PROCEDURES AND PRACTICES IN THE ADMINISTRATION OF UPRATING CREDITS

APPENDIX H

GUIDELINES FOR THE DEVELOPMENT OF PROCEDURES AND PRACTICES IN THE ADMINISTRATION OF UPRATING CREDITS

1. To the extent applicable, the Schedule B Contractors, Western, and Reclamation agree to provide all Parties with the following information supporting the determination of credits provided pursuant to Section 6.5 of the Contract:
   a. Records of historic and planned Advances.
   b. Administrative and general expenses associated with the financial management and debt issues.
   c. Accounting practices in the financial management of the debt issued.
   d. Investment income earned on bond proceeds.
   e. Claims of interest due on Credit Carryforwards.
   f. Historic and current Credit Schedule.
   g. Historic and current Credit Carryforwards.
   h. Working capital accounts established by Contractors Advances through means defined in Section 6.5.2(i).
   i. Historic Credit Difference information.
   j. Official statements and trustee reports, including cash flows for all funds,
   k. Other relevant financial data, methodologies, and accounting practices requested by any other Party related to non-federal financing of the Uprating Program.
2. The Parties agree to participate in the development of procedures and practices.
3. The established procedures and practices shall provide that Western shall review Uprating Credit information submitted by each Schedule B Contractor, and certify that such information is in conformance with such procedures and practices.

APPENDIX I

REPORT OF THE NEGOTIATING GROUP

JUNE 22, 1993

BOULDER CANYON PROJECT ISSUES NEGOTIATIONS

REPORT OP NEGOTIATING GROUP TO THE

BOULDER CANYON PROJECT POWER CONTRACTORS

I. PART ONE: INTRODUCTION.

By letter dated February 1, 1993 (the "February 1993 Letter") from Eldon Cotton, Assistant General Manager - Power of the Department of Water and Power of the City of Los Angeles to Thomas Hine, Area Manager, Phoenix Area Office of the Western Area Power Administration ("Western") and Robert Towles, Regional Director of the United States Bureau of Reclamation ("Reclamation") , several of the entities (the "Contractors") that purchase Boulder Canyon Project ("BCP") power pursuant to the BCP Electric Service Contracts (the "Contracts") proposed that the Contractors, Western and Reclamation resolve a number of issues that have arisen between the Contractors and the Government. The February 1993 Letter contained a list of nine issues with a statement that the list is not intended to be exclusive.

Western and Reclamation concurred in seeking a resolution to the issues. On February 25, 1993, at the written invitation of Western, representatives of Reclamation, Western and the Contractors and other interested parties held a meeting in Phoenix, Arizona. Reclamation, Western and the Contractors are collectively called "Parties". During the meeting those present agreed to try to resolve the issues. Three negotiating teams (together comprising the "Negotiating Group") were formed. Representatives from all Parties were members of each team. The nine issues stated in the February 1993 Letter and two additional issues were assigned among the teams.

The Negotiating Group has been meeting every other week since March 8, 1993. The Negotiating Group has bargained diligently and in good faith to reach consensus on recommended solutions for all eleven issues. The negotiating process involved compromise by all Parties, allowing the Negotiating Group to achieve its objective.

This Report covers the Negotiating Group's recommendations. The Report has four parts. Part I is this Introduction. Part II is an Executive Summary. Part III states each issue, the recommendation for resolving each issue, the reason for the recommendation and the recommended plan or means of implementing the solution. Part IV covers documentation of some of the recommendations and the need for a review of the consistency of the recommendations with the existing Settlement Agreement, the Contracts and applicable regulations. Some of the recommendations are supported by detailed exhibits to this Report which elaborate on the consensus reached by the Negotiating Group. The text of attached exhibits should be given first consideration should differences arise in interpretation of the recommendations contained in Part III.

II. PART TWO: EXECUTIVE SUMMARY.

Issues One through Three cover expensing replacements, repayment of the cost of Visitor Facilities, and whether Western and Reclamation regulations need immediate change because of the Settlement Agreement. The Negotiating Group recommends:

1. Replacements.

The Bureau of Reclamation will request appropriations each fiscal year for current replacements on the Boulder Canyon Project to the extent that the Department of the Interior authorizes it to do so, and will use appropriated funds for this purpose to the extent that such funds are made available. If replacements are expensed, then such amounts shall be treated as advances of capital by the Contractors. The Contractors shall be reimbursed at the end of the Contract term for the amount by which such advances exceed the amount of principal that would have been paid to the Treasury had replacements been funded by appropriations. This reimbursement should be provided within five years of the expiration of the Contracts.

2. Visitor Facilities.

User Fees will be established with the objective of collecting costs associated with the Additional Cost which is estimated at $55 million. As much of the Additional Cost together with associated interest, and all operation and maintenance expenses ("O&M") on the Visitor Facilities, as practicable, will be recovered through User Fees.

3. Amending Regulations.

No action shall be taken at this time regarding Reclamation's and Western's regulations pertaining to the Settlement Agreement and the Rate Adjustment process.

Issues Four and Five concern allocation of multi-project benefits and costs and formalization of the Engineering and Operating Committee ("E&OC"). The Negotiation Group recommends:

4. Multi-Project Benefits and Costs.

Western shall develop and implement in coordination with Contractors, detailed procedures for determining and allocating multi-project benefits and cost by October 1, 1993. The procedures are to be reviewed and updated annually prior to allocation results being included in power repayment studies.

5. E&OC.

The Parties shall execute and deliver the "Letter Agreement" in the form attached to this Report which formalizes the organization and activity scope of the E&OC. In addition, the Parties shall create a Steering Committee to oversee subcommittees such as the E&OC, to review and agree upon BCP criteria, practices and procedures, and to attempt to resolve differences among the Parties, all in accord with the Principles for a Steering Committee attached to this Report as Exhibit D.

Issues Six through Nine cover billing and payment procedures, working capital, audits, and periodic payment of principal. The Negotiating Group recommends:

6. Billing and Payment.

A billing and payment procedure shall be adopted to assure that capacity and energy will each pay one-half of the BCP revenue requirements each year ("Annual Revenue Requirements"). The procedures will assure that Reclamation receives payment of a monthly bill in the next succeeding month. Additionally, prior payments by capacity which exceed one-half of Annual Revenue Requirements to be balanced out by credits applied in equal increments to reduce future capacity payments over a period equal in duration to the period over which such imbalance was generated.

7. Working Capital.

Working capital shall be set at $2,000,000. Reclamation shall report to the E&OC each year on its use.

8. Audits.

Contractors may conduct joint financial audits at their expense with notice of time, scope, preliminary results and final reports given to Reclamation and Western, in accord with the Contracts, audit concepts and objectives attached to this Report as Exhibit F.

9. Principal Payments.

When funds are available sufficient to meet the requirements of Section 6.5 of the Contracts, Reclamation shall repay principal on a monthly basis, rather than at the end of the year. However, the annual principal payments over the Contract term will not exceed the cumulative principal payments that would be made under a level amortization schedule.

Two additional issues were examined. One deals with annual rate adjustments. The other concerns Western's administration of the uprater credits provided in Subsection 6.5 of the Contracts. The Negotiating Group recommends:

10. Annual Rate Adjustments.

Western shall annually present a comparison of the payments to be received under then current rates for the next Fiscal Year ("FY") compared to the Annual Revenue Requirements for the next FY. If the two are not equal, Western shall propose a corrective rate adjustment.

11. Administration of Uprater Credits.

With assistance from Contractors, by October 1, 1993 Western shall provide and implement detailed practices and procedures for the administration of uprater credits.

In addition to the specific recommendations, the Negotiating Group makes two general recommendations. They are:

a. Implementation Dates.

The Parties agree to apply their organizational resources and use their best efforts to fully implement all recommendations by October 1, 1993.

b. Consistency Review.

The Parties shall agree upon and implement a process to review the recommendations stated in this Report for consistency with the Settlement Agreement, the Contracts and applicable regulations and to make changes, if necessary, to resolve conflicts.

Part Three which follows contains a detailed review of the recommendations, the underlying reasons and implementation steps.

III. PART THREE: RECOMMENDATIONS FOR ISSUES RESOLUTION.

This Part III contains the issue description as contained in the February 1993 Letter, a statement of the recommended solution, the reasons for the recommendation, and a summary of the plan or means for implementing the recommendation. The issues are covered in the order set forth in the February 1993 Letter.

A. Issue One.

1. The Issue:

"Development of methods of funding replacements in years in which appropriated funds are not available in required amounts, other than by 'expensing' their cost in the years incurred."

2. The Recommendation:

The Negotiating Group recommends:

The Bureau of Reclamation will request appropriations each fiscal year for current replacements on the Boulder Canyon Project to the extent that the Department of the Interior authorizes it to do so, and will use appropriated funds for this purpose to the extent that such funds are made available.

In any fiscal year during the present Contract term in which the amount required for current replacements on the Boulder Canyon Project exceeds the amount made available for that purpose by appropriations from the Treasury, the excess may be expensed, that is, included in the amount to be collected in rates charged by the United States for Boulder Canyon Project power, and paid out of current power revenues, but shall be deemed an advance of capital to the United States by the power Contractors.

The United States will repay to the power Contractors, at the end of the Contract period (FY2017), the difference between the total amount of capital so advanced over the entire Contract term, and the amount of capital that the United States would have recovered by that date if all funds required for replacements had been appropriated and amortized over the periods and at the interest rates specified by law and applicable regulations. Such repayment shall be made in five equal annual installments, out of revenues which the United States receives for Boulder Canyon Project power delivered after FY2017.

The complete replacements recommendation is stated in Exhibit A hereof.

3. Reasons:

Under existing law, replacements are capital investments by the United States to be amortized over a 50 year period, and should be funded by appropriations.

When replacements are expensed, the Contractors are being required to prepay for capital investments in the year those replacements are made. The result is that the United States recovers substantially more capital from these Contractors during the Contract period than it would have recovered if replacements had been funded by appropriations. The Contractors should only pay the share of BCP capital investments that are properly amortized over the term of the Contracts. Unless the Contractors are repaid the excess out of revenues received by the government for power generated after the end of the original Contract term, the post-2017 Contractors will be unjustly enriched at the expense of the Contractors.

4. Implementation:

The Parties shall execute a contract by October 1, 1993 to provide for (i) the annual calculation and maintenance of a record of the prepayment of replacement investments made by the Contractors, (ii) the amortization of such investments over a 50 year period if they had been funded by appropriations, (iii) the amount of credits for which reimbursement is due to the Contractors upon Contracts termination, and (iv) Western's obligation to collect the amounts to be reimbursed the Contractors from the post-2017 contractors and to make such reimbursement over a period not to exceed five years.

The details of the calculation of the total reimbursement due the Contractors at the end of the Contract term is provided in Exhibit A. Not later than October 1, 1993, an explicit mechanism, consistent with these recommendations and to be attached to Exhibit A, shall be developed for calculating each Contractor's percentage of the total reimbursement due.

B. Issue Two.

1. The Issue:

> "Reallocation of the cost of the Visitor Facilities. This may require legislation, in which case, if an agreement is reached on the merits, the problem will become one of agreement on the legislative relief to be proposed for consideration by the Department of the Interior and the Department of Energy. It is recognized that Western and Reclamation do not have final authority to commit their respective departments with respect to legislative matters."

2. The Recommendation:

The parties have developed a recommendation which does not, at this time, include the pursuit of legislation to reallocate Visitor Facilities' costs. The legislative history describes the Visitor Facilities' cost estimate to be $32 million (the "Initial Cost"), plus adjustments for inflation and interest during construction ("IDC"). The Initial Cost, as adjusted for inflation and IDC (the "Adjusted Initial Cost"), is estimated to be $51 million. The estimated actual total cost ("Completed Cost"), with inflation adjustments and IDC, is $106 million. The Completed Cost estimate exceeds the Initial Cost estimate by $55 million (the "Additional Cost").

The Negotiating Group recommends:

a. The Lower Colorado Regional Director shall obtain the required concurrences, and establish and maintain User Fees sufficient to fund, to the extent possible, visitor Facilities O&M expenses and repayment of the Additional Cost, with interest.

b. Reclamation will consider recommendations from the E&OC with respect to planning, establishment and implementation of User Fees prior to their implementation, or adoption for purposes of any power repayment study.

The methodology for determining the portion of the Visitor Facilities' cost to be recovered, to the extent practicable, through User Fees, is shown in Exhibit B hereof.

Exhibits B.1 through B.5 of Exhibit B show (i) estimates of Initial Cost, Adjusted Initial Cost, Completed Cost and Additional Cost, (ii) the estimated IDC on Additional Cost, (iii) the portion of the annual Visitor Facilities' principal and interest payments to be recovered by User Fees, (iv) the calculation of weighted average interest rate used to determine principal and interest payments to be recovered by User Fees, and (v) estimated IDC associated with Completed Cost. Exhibit B's Exhibits B.1 through B.5 should be revised and the principal and interest associated with the Additional Cost should be recalculated when the Visitor Facilities are completed.

3. Reasons:

The legislative history of the Hoover Power Plant Act of 1984 (the "1984 Act") clearly indicates a Congressional intention that the Contractors would bear the investment repayment responsibility for Visitor Facilities Initial Cost estimated to be $32 million dollars (in 1983 dollars), adjusted for inflation and IDC. The recovery of the Additional Cost through User Fees is consistent with the legislative intent for the level of investment reimbursable by power users and the principle that the beneficiaries of federal investments pay the cost of services provided.

4. Implementation:

This Issue Two recommendation is to be implemented by actions of Reclamation in establishing, maintaining and collecting User Fees at the levels required, and depositing such amounts in the Colorado River Dam Fund as soon as practicable.

C. Issue Three.

1. The Issue:

> "Amendment of the regulations of Western, and possibly Reclamation, to include the provisions of the rate setting formula set forth in the Settlement Agreement of September 15, 1992."

2. The Recommendation:

The Negotiating Group recommends that action on Issue Three should be deferred until FERC acts on Rate Order WAPA-58.

3. The Reason:

The BCP Rate Adjustment in Rate Order WAPA-58 was prepared pursuant to the understandings contained in the Settlement Agreement. The process for amendment of regulations relating to the Settlement Agreement could further delay FERC disposition of Rate Order WAPA-58. Additional delay beyond that associated with resolution of the other Issues is not in the interests of the Parties. Also, there is no consensus among the Parties that the regulations must be revised to accommodate the Settlement Agreement rate methodology.

D. Issue Four.

1. The Issue:

"The methodology for Western's allocation of multi-project benefits and costs for rate making purposes."

2. The Recommendation:

The Negotiating Group recommends:

a. Western will, on or before October 1, 1993, provide detailed procedures, supporting analyses and justification for determining multi-project benefits and costs, calculating the benefits and costs of integrated operations of the BCP with the other federal projects on the Colorado River, and allocating such benefits and costs.

b. The procedures, calculations, allocations, and analysis will be reviewed and validated on an annual basis and will be made available in writing to the E&OC for review and discussion prior to Western's including these benefits and costs in any power repayment study.

3. The Reason:

For the first time, Western included an amount for multi-project costs in Rate Order WAPA-58. The amount was for use of Western's facilities and functions that are supportive of the marketing and transmission of BCP power. Section 5.1.2.3 of the Contracts provides for the sharing of any "direct power benefit" related to the integrated operation of BCP with other federal projects on the Colorado River. Western has used Section 5.1.2.3 as authority for assessing the multi-project costs. To date, Western has not made an allocation of direct power benefits to the BCP. The Contractors agree that Western's inclusion of reasonable multi-project benefits and costs in the BCP power rate determination is appropriate.

4. Implementation:

The implementation steps for resolving this Issue Four are stated under the Recommendation heading.

E. Issue Five.

1. The Issue:

"Formalization of the functions of the Engineering and Oversight Committee with respect to costs of Western and Reclamation, and related technical and operating matters. The standing Methodology Committee would continue to deal with administrative issues."

2. The Recommendation:

The Negotiating Group recommends:

a. That the Parties execute and deliver the "Letter Agreement regarding the Engineering and Operating Committee for the Boulder Canyon Project" that is attached to this Report as Exhibit C.

b. That the Parties prepare, execute and deliver a letter agreement providing for the establishment and organization of a "Steering Committee" with the principal responsibility of (i) establishing and coordinating subcommittees, including the E&OC, (ii) the Steering Committee will review and agree on the criteria, policies and proceudres developed by Reclamation and Western, and reviewed by the E&OC, for BCP operation, maintenance, marketing and repair so tht power rates for the BCP shall be at the lowest possible cost consistent with sound business principles, (iii) The Steering Committee will review recommendations by the E&OC and determine whether the applicable criteria to expend funds for discretionary items has been satisfied prior to such expenditures being committed by Reclamation or Western. Discretionary items include, but are not limited to, those plans, programs and other decisions relating to operations, maintenance, replacements betterments and additions which are justified on some basis other than maintaining the physical facilities of the BCP in their current condition, normal wear and tear excepted, or providing for repayment of the BCP's obligations to the United States, and (iv) review, discuss and attempted resolution of issues of concern to the Parties.

The recommendation, organization and functions for the Steering Committee are stated in Exhibit D hereof.

3. Reason:

From time to time, issues and disputes arise among the Parties concerning the interpretation, administration and performance of the Contracts. The issues and disputes tend to become focused and intense during the BCP Rate Adjustment process. In 1990, the Parties informally created an E&OC to improve communications and to provide for Contractor input on the BCP. Based on their experience with the informal E&OC, the Parties have concluded that formalization of the E&OC activities and the creation of a Steering Committee having representatives of each party authorized to monitor E&OC activities and provide a forum for issues discussion and resolution is advantageous.

4. Implementation:

The E&OC Letter Agreement, attached as Exhibit C, is to be executed and delivered by the Parties as soon as possible. The concepts and principles for the establishment, organization and functions of the Steering Committee are to be expanded into letter agreement form to be executed and delivered by the Parties not later than October 1, 1993.

F. Issue Six.

1. The Issue:

"Consideration of a possible simplification of billing procedures to expedite the project's cash flow, reducing the amount of working capital required by Reclamation."

2. The Recommendations:

a. Billing and Payment on a Revenue Requirements Basis.

The Negotiating Group recommends:

(1) Western's billing procedure should be changed to provide that Western will collect from the Contractors

the dollar amount of FY Annual Revenue Requirements. Capacity payments will provide for one-half of the Annual Revenue Requirements ("Capacity Dollar") and energy payments will provide for the other one-half of the Annual Revenue Requirements ("Energy Dollar").

(2) The Contractor's energy payment will be based on the percentages from Table 5 of the Contracts and patterned after the Master Schedule Energy provided for by the Contracts. At the end of the FY, an actual energy rate will be calculated and a determination of the actual obligation due versus what was paid shall be made. This determination will result, for each Contractor, in either a credit being due or a debit that needs to be paid. Such credit/debit will be reflected in the second Billing Period of the FY following the FY for which such determination is made. The Contractors' capacity payment for the Billing Period will be 1/12th of the Capacity Dollar times their proportion of Contingent Capacity entitlement.

(3) In keeping with the principle that capacity and energy have equal responsibility for the Annual Revenue Requirement burdens and benefits, to the extent capacity has paid more than one-half of the Annual Revenue Requirements since June 1, 1987, the Contractors will pay the dollar amount that would need to be credited to the Capacity Dollar ("Capacity Credit") to make equal the cumulative payments for BCP capacity and energy from June 1, 1987 through September 30 of the year in which this revenue requirements billing procedure becomes effective. The Capacity Credit will be applied in equal increments to reduce future capacity payments and increase future energy payments over the period equal in duration to the period over which such imbalance was generated.

A detailed description of the steps of the recommended solution for Issue Six is stated in Exhibit E hereof.

b. Reducing the Lag Time between Billing and Payment.

The Negotiating Group recommends:

Western shall submit power bills to Contractors within the first three days of the month following the month in which service has been provided. Contractors will pay the bills within twenty days of receipt of the billing as required by the Contracts. Western will transfer to Reclamation the Contractors' payments no later than the last day of the month immediately following the month in which service has been provided.

3. The Reason:

Under current procedures, Western sets rates based on Reclamation's Annual Revenue Requirement, capacity and hydrology projections. Since actual energy generation differs from forecast energy generation, actual revenues collected differ from Annual Revenue Requirements. To date, this difference has resulted in a shortfall of energy revenue available to meet expenses. Where Contractors' payments are less than the Annual Revenue Requirements, deficiencies occur that require Reclamation to defer or terminate BCP work or defer payment of other BCP obligations. The deferred or terminated BCP work or payments that are carried over and the increased costs of termination and start up become BCP costs in a subsequent FY. The carryover deficits are likely to trigger rate adjustments.

Changes in the billing procedures to assure that Reclamation's receipts closely approximate the Annual Revenue Requirement will avoid termination and start-up programs costs and deferrals and catch-ups of other obligations, thereby reducing the amount required for working capital. Providing Reclamation with payment of funds due during the month immediately following the month in which service is rendered further reduces the need for working capital.

4. Implementation:

The regulations or Contracts must be amended to place recommendation (a) of Issue 6 into effect. The Parties should begin negotiations of the amendment as soon as possible with the objective of having the amendment take effect by October 1, 1993. Recommendation (b) , relating to time lag between service under the Contracts and receipt of funds by Reclamation shall be implemented as soon as practicable, but no later than October 1, 1993.

G. Issue Seven.

1. The Issue:

"Reexamination of working capital requirements of Reclamation, including the effect of simplification of billing procedures."

2. The Recommendation:

The Negotiating Group recommends:

a. The working capital requirement shall be established at $2,000,000. Working capital shall not be included in the budget for expenditures.

b. Each year Reclamation will report to the E&OC explaining whether working capital was used or applied in the previous FY and the use or application that was made, if any.

3. The Reason.

Although billing and payment procedures will generally provide payments to Reclamation equal to the Annual Revenue Requirement, working capital is needed for the one-month lag in time between BCP expenses and obligations being paid or incurred and Capacity Dollar and Energy Dollar payments received. In accordance with the Settlement Agreement, Reclamation shall use working capital "only to bridge the time delay between the date of billing by Western for power sales and the date of receipt by Reclamation of the resulting revenue. It is not to be available for expenditure in addition to budgeted amounts." Reclamation believes the $2,000,000 working capital allowance is adequate for these purposes.

4. Implementation:

The Power Repayment Study Spreadsheet ("PRSS") will include $2,000,000 for working capital for the FY that commences after the execution and delivery of the Contract amendments that place into effect the new billing and payment procedure described under Issue Six above. That PRSS will reflect a credit sufficient to reduce the working capital to $2,000,000. Based on the PRSS supporting WAPA-58, the credit necessary to reduce the working capital balance existing on September 30, 1993 to $2,000,000 is $5,879,819.

H. Issue Eight.

1. The Issue:

"Expediting audits."

2. The Recommendation:

The Negotiating Group recommends:

The Contractors, on advance written notice to Reclamation and Western, may periodically audit Reclamation's and Western's BCP Book of Accounts. The notice will contain the written audit scope and work plan. Such audits will be performed by an independent firm of accountants selected by the Contractors or an audit team of the Contractors. The participating Contractors will pay all costs of the audit. The Contractors will review the preliminary audit results with Reclamation and Western before such results become final and provide each with the final audit report.

The detailed audit protocol is stated in Exhibit F hereof.

3. The Reason:

Section 17 of the Contracts gives the Contractors the right to audit Reclamation's and Western's books and records. The audit protocol, attached as Exhibit F, provides for the audits to be coordinated with both Federal Agencies and to be conducted to avoid undue disruption of their operations. The audit results should assist the Parties in the administration of the Contracts and BCP rate adjustments.

4. Implementation:

The Contractors may implement BCP audits at any time upon satisfaction of the audit protocol notice requirements, or according to the Contracts.

I. Issue Nine.

1. The Issue:

"Transfer to the Treasury from the Colorado River Dam Fund of the amortization component of power revenues, from time to time when justified by the revenue flow, instead of postponing such transfers to end of the fiscal year. The objective is to reduce the Treasury's interest charges."

2. The Recommendation:

The Negotiating Group recommends:

Reclamation will make payment of principal monthly, when sufficient funds are available to meet all of the requirements of Section 6.5 of the Contracts, including sufficient funds to cover uprating credits.

3. The Reason:

It is Reclamation's intention to repay principal when assured of having funds available. Monthly payment of principal by Reclamation reduces the Contractors' cost associated with interest charges. With the adoption of the billing and payment process described under Issue Six above, Reclamation expects to have sufficient funds to make monthly principal payments.

4. Implementation:

Reclamation will implement the recommended resolution of Issue 9 upon each Party's approval of the resolution of other Issues.

J. Additional Issue: Annual Rate Adjustment.

1. The Issue:

Each year Western will examine the need for BCP annual rate adjustment. What will trigger the need for an annual rate adjustment and what process will be followed when such need is triggered? Should the Parties seek to change the standard by which a FERC review of an annual rate adjustment will be invoked?

2. The Recommendation:

The Negotiation Group recommends:

At least annually, Western will make and present to Reclamation and the Contractors its analysis of the revenue that the then-effective BCP Capacity and Energy payments are expected to provide for the next FY as compared to the Annual Revenue Requirement for the next FY. If such payments are expected to provide FY revenues that are greater or less than the Annual Revenue Requirement, Western shall propose a corrective BCP Rate Adjustment for the next period when such a Rate Adjustment may be effected.

3. The Reason:

The Settlement Agreement and a number of the proposed issues resolutions are predicated on annual rate review and annual rate adjustments. The commitment described is needed to create the appropriate documentation for those activities.

4. Implementation:

Western will implement the annual rate adjustment process as soon as any procedural prerequisites have been satisfied.

K. Additional Issue: Administration of Uprater credits.

1. The Issue:

The Contractors request that Western establish a clear and consistently applied program for the administration of Section 6.5 of the Contracts having to do with uprater credits.

2. The Recommendation:

The Negotiating Group recommends:

By October 1, 1993, Western, with the assistance of Contractors, will develop detailed procedures and practices to be followed by Western in the administration of uprater credits pursuant to Section 6.5 of the Contracts. The detailed process and procedure will be provided to the Contractors for review and comment prior to adoption.

3. The Reason:

There are no documented procedures and practices for administration of uprater credits in accordance with the Contracts. The promulgation, adoption and application of such procedures and practices will assure that the uprater program, including credits, is being administered pursuant to the applicable contract terms, covenants and conditions.

IV. PART FOUR: DOCUMENTATION AND CONSISTENCY REVIEWS.

The Negotiating Group has prepared documentation of the recommended resolution for Issues One, Two, Five, Six and Eight. The documentation is in the form of Exhibits A through F attached hereto.

The Negotiating Group recommends that the Parties establish and implement a process to accomplish the Report's recommendations. The Contracts, Settlement Agreement, Western's Regulations (10 CFR 904) and Reclamation's Regulations (43 CFR 431) need to be reviewed for conformance with this Report's recommendations. To the extent conflicts or inconsistencies are found to exist between this Report's recommendations and the Contracts, Settlement Agreement or regulations, the Negotiating Group recommends that appropriate revisions should be made in the Contract, Settlement Agreement or regulations. Regardless of the outcome of the review, all of the recommendations will be implemented through an agreement process executed by each of the Parties. In addition to the implementation and timelines defined in each issue, the following activities need to be completed by the Negotiating Group or its successor:

Replacements:

> Determine the respective responsibilities of the Parties for implementation of the replacement calculations, definitions of a mechanism for allocating and scheduling the reimbursement among Contractors, and the contract framework required to create the obligation for reimbursement.

Visitor Facilities:

> Updating, completing and implementing the Exhibit B calculations and the User Fees recommendations including assurance of transfers of User Fees to the Colorado River Dam Fund.

Issue Six:

> Completion of mechanisms stated and shown in Exhibit E.

The items referenced above shall be completed on an accelerated basis consistent with the work schedules of the Negotiating Group. It is the intention of the Parties to implement all recommendations as soon as possible.

RESPECTFULLY SUBMITTED,

David G. Shelton

NEGOTIATOR FOR:
WESTERN AREA POWER ADMINISTRATION

Dated: June 25, 1993

____

NEGOTIATOR FOR:
BUREAU OF RECLAMATION

Dated: June ___, 1993

Lerry Michael Jr.

NEGOTIATOR FOR:
ARIZONA POWER AUTHORITY

Dated: June 25, 1993

____

NEGOTIATOR FOR:
CITY OF BOULDER CITY, NEVADA

Dated: June ___, 1993

RESPECTFULLY SUBMITTED,

______________________________ Dated: June ___, 1993
NEGOTIATOR FOR:
WESTERN AREA POWER ADMINISTRATION

______________________________ Dated: June 24, 1993
NEGOTIATOR FOR:
BUREAU OF RECLAMATION

______________________________ Dated: June ___, 1993
NEGOTIATOR FOR:
ARIZONA POWER AUTHORITY

______________________________ Dated: June 24, 1993
NEGOTIATOR FOR:
CITY OF BOULDER CITY, NEVADA

Alan R Watts

NEGOTIATOR FOR THE CITIES OF: Dated: June 23, 1993

ANAHEIM
AZUSA
BANNING
COLTON
RIVERSIDE

(SCPPA)

NEGOTIATOR FOR THE CITIES OF: Dated: June 23, 1993

BURBANK
GLENDALE
PASADENA

NEGOTIATOR FOR: Dated: June 23, 1993
LOS ANGELES DEPARTMENT OF WATER AND POWER

NEGOTIATOR FOR: Dated: June 23, 1993
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

NEGOTIATOR FOR: Dated: June 24, 1993
SOUTHERN CALIFORNIA EDISON COMPANY

NEGOTIATOR FOR: Dated: June 23, 1993
CITY OF VERNON

6/22/93\NEWRPT2.622

The Report has been included without Appendices as the Appendices have been updated and included as part of the Agreement.

Boulder Canyon Project Resolutions

Resolution #	Topic
# 96-1	Uprating Credit Procedures
# 96-2	Multi-Project Benefits and Cost Procedures
# 96-3	Administration of Working Capital
# 96-4	Excess Energy Delivery and Accounting
# 96-6	Administration of Replacements
# 97-7	Procedures for Accounting and Reconciliation of Energy
# 97-8	Fiscal Year 1997 Audit Procedures and Scope
# 02-9	Use of Working Capital to Help Mitigate Shortfall of Revenues in Fiscal Year 2002
# 09-1	Revision to Resolution # 97-7 Procedures for Accounting and Reconciliation of Energy

Resolution # 96-1

June 1996

Uprating Credit Procedures

Resolution # 96-1
of the
Boulder Canyon Project
Engineering and Operating Committee

—

ADOPTION OF PROCEDURES AND PRACTICES FOR ADMINISTRATION OF SECTION 6.5 OF THE ELECTRIC SERVICE CONTRACT

WHEREAS:

1. Section 18 of the Boulder Canyon Project Implementation Agreement requires that the Contractors, Western and Reclamation cooperate to develop detailed procedures and practices to be followed by the parties in the administration of the Uprating Credits Program pursuant to Section 6.5 of the Electric Service Contract, and according to the guidelines provided by Appendix H to the Implementation Agreement.

2. The Uprating Credit Committee, a subcommittee of the Engineering and Operating Committee (E&OC), has submitted its recommendation for the Procedures and Practices for the Administration of Section 6.5 of the Electric Service Contract (Procedures and Practices).

THE ENGINEERING AND OPERATING COMMITTEE THEREFORE RESOLVES THAT:

1. The Procedures and Practices fulfill the objectives of the Implementation Agreement.

2. The Procedures and Practices shall be forwarded to the Coordinating Committee for final review and approval.

BOULDER CANYON PROJECT

PROCEDURES AND PRACTICES FOR THE ADMINISTRATION OF SECTION 6.5 OF THE ELECTRIC SERVICE CONTRACTS

Pursuant to Section 18 of the Boulder Canyon Project Implementation Agreement (Implementation Agreement), the Parties agreed to develop detailed procedures and practices (hereafter, Procedures) for the administration of Section 6.5 of the Electric Service Contracts (Contract(s)) related to the non-federal financing of the Uprating Program. Appendix H of the Implementation Agreement provided guidelines for these Procedures. Appendix 1 hereto confirms that the provisions of Appendix H have been fulfilled.

I. PURPOSE

The purpose of these Procedures is to assure that Uprating Credits are administered in compliance with Section 6.5 of the Contract; that Schedule B Contractors are treated consistently; and that information reasonably necessary to assure the foregoing is available to all Contractors, Reclamation and Western.

These Procedures do not amend or otherwise revise the terms of the Contracts or the Implementation Agreement. These Procedures are the result of negotiations among representatives of the Parties to the Implementation Agreement, and document a compromise of the Parties on their views and differences with respect to the Uprating Program. Any disputes arising from these Procedures shall be resolved pursuant to Section 24 of the Implementation Agreement.

Definitions:
Terms used in these Procedures which were not previously defined in either the Contract or Implementation Agreement are set forth below:

Cash-Funded Contractors: Schedule B Contractors who, in accordance with Section 6.5.2(ii) of the Contract, advanced funds to the Secretary of the Interior for the Uprating Program from sources other than borrowed money. These Schedule B Contractors are: the City of Glendale, the City of Pasadena and the City of Vernon.

Debt-Funded Contractors: Schedule B Contractors who, in accordance with Section 6.5.2(i) of the Contract, advanced funds to the Secretary of the Interior for the Uprating Program from borrowed money. These Schedule B Contractors are: the Arizona Power Authority (APA), the Colorado River Commission of Nevada (CRC), and the California Cities of Anaheim, Azusa, Banning, Burbank, Colton, and Riverside, which cities together financed their obligations through the Southern California Public Power Authority (SCPPA).

Effective Date of these Procedures: These Procedures shall be effective as of June 1, 1996, unless otherwise determined by the Coordinating Committee.

II. SCHEDULE B CONTRACTORS' ADMINISTRATIVE OBLIGATIONS

The Schedule B Contractors shall have the following administrative obligations:

A. Credit Schedules:

1. Schedule B Contractors shall have the following responsibilities related to the filing of Credit Schedules pursuant to Section 6.5.5 of the Contract:

a. Debt-Funded Contractors:

(i) Each Debt-Funded Contractor shall file a Credit Schedule and supporting documentation specified in Appendix 2 by July 1 of each year.

(ii) When a Debt-Funded Contractor refinances or restructures its debt, the Debt-Funded Contractor shall revise its Credit Schedule and supporting documentation, as specified in Appendix 2, and submit it to Western no later than 30 days after the close of such refinancing or restructuring.

(iii) Courtesy copies of Credit Schedules and supporting information shall be concurrently provided to each member of the Engineering and Operating Committee (E&OC).

(iv) Initial Credit Schedules consistent with these Procedures shall be filed no later than July 1, 1996.

b. Cash-Funded Contractors:

(i) Each Cash-Funded Contractor shall submit its Credit Schedule not later than August 1 each year.

(ii) Each Cash-Funded Contractor shall provide an explanation of any difference between the forecast of monthly credits provided by Western pursuant to paragraph III.B.2 hereof, and the Credit Schedule submitted each August 1.

(iii) If a Cash-Funded Contractor disagrees with Western's forecast of monthly credits, Western and such Contractor shall cooperate to assure that the Credit Schedule is consistent with these Procedures.

(iv) Initial Credit Schedules consistent with these Procedures shall be filed no later than August 1, 1996, and shall reflect adjustment of the average annual interest rate, recognition of Advance Credits, and interest on suspended credits.

2. Credit Schedule Requirements for Debt-Funded Contractors:

a. The Credit Schedule for a Debt-Funded Contractor shall be submitted in a format consistent with the sample in Appendix 2, Item 1.

b. Other Costs which are included in the Credit Schedules shall be consistent with the costs identified in Appendix 3.

3. Supporting Documentation for Debt-Funded Contractors:

a. Each Debt-Funded Contractor shall provide documentation with each submitted Credit Schedule sufficient to link monthly Credits with a schedule of debt service and Other Costs. Such documentation shall include:

(i) A debt service schedule in accordance with Appendix 2, Item 2.

(ii) A breakdown of Other Costs consistent with the guidelines provided in Appendix 3 and in the format provided by Appendix 2, Item 3.

(iii) Support for the interest income earned on reserve funds in accordance with Appendix 2, Item 4.

(iv) A summary sheet of credit information necessary to calculate the Periodic Interest Costs in accordance with Appendix 2, Item 5.

b. Whether or not any change in the most recently filed Credit Schedule is claimed, the Debt-Funded Contractor shall provide documentation for the prior fiscal year in accordance with the format of the financial exhibit for Credit Differences specified in Appendix 4, as provided in Section II. B, below.

4. Credit Schedule Requirements for Cash-Funded Contractors:

a. Cash-Funded Contractors shall provide Credit Schedules in a format consistent with Appendix 5.

B. Statement of Credit Difference:

1 Section 4.17 of the Contract defines Credit Difference as the "difference between (a) amounts accruing for payment with respect to Indebtedness and Periodic Interest Costs during a Fiscal Year and (b) the amounts included in the last Credit Schedule for such Fiscal Year.".

2. Section 6.5.7 of the Contract provides that each "Schedule B Contractor shall provide. . . as soon as practicable after the end of each Fiscal Year, a statement of the Credit Difference " Credit Difference for Debt-funded Contractors shall be reported in a format consistent with Appendix 4.

3. The following procedures shall be utilized with respect to statements of Credit Difference:

a. Beginning June 1, 1996, in order to comply with Section 6.5.7 of the Contract, an annual statement of Credit Difference consistent with the format provided in Appendix 4 shall be filed with Western by each Debt-Funded Contractor, with courtesy copies to each member of the E&OC. The Contractors affirm that December 15 of each year is a reasonable deadline for the filing of such statements. If a Debt-Funded Contractor is unable to submit a statement by December 15, the Debt-Funded Contractor shall submit a letter stating why such deadline can not be met and an estimated date when such Debt-Funded Contractor will file the statement with Western and each member of the E&OC.

b. Section 6.5.7 of the Contract provides that Western shall add to or reduce the Schedule B Contractor's succeeding Credit Amounts, as appropriate, as soon as possible to reflect any such Credit Difference.

c. To the extent that a Debt-Funded Contractor has a Credit Difference which changes the average annual interest rate for Periodic Interest Costs, Western shall coordinate with the Cash-Funded Contractors to make appropriate adjustments to the Credit Schedule to reflect such changes in accordance with the process previously established in paragraph II.A.1.b. hereof.

III. WESTERN'S ADMINISTRATIVE OBLIGATIONS

Western shall perform the following:

A. For Debt-Funded Contractors:

1 Western shall provide notification to the Debt-Funded Contractors in May of each year requesting Credit Schedules and supporting documentation in a format consistent with the sample in Appendix 2.

2. Pursuant to the Contracts and these Procedures, Western shall review the Credit Schedule and supporting documentation submitted by each Debt-Funded Contractor. Such review shall determine whether or not the Debt-Funded Contractor has made the periodic filings described in Appendix 2 and 4, and whether such filings are consistent with these Procedures.

3. In the event a Credit Schedule, or supporting documentation defined by the appendices hereto, is not filed, or is otherwise deficient, Western shall promptly provide written notice to the applicable Debt-Funded Contractor of the information required to correct such deficiency. Such notice shall be provided not later than 2 weeks after the date a Credit Schedule or supporting information is due. Copies of such notice shall be provided to

14 July xx

each E&OC member at the time it is sent to the Schedule B Contractor.

B. For Cash-Funded Contractors:

This Paragraph B shall apply to advances first made commencing with April 1986, and through the duration of the Contract.

1. In accordance with Section 6.5.4(ii) of the Contract and the method outlined in Appendix 6, Western shall determine the average annual interest rate for Periodic Interest Costs applicable to the Cash-Funded Contractors. Western shall calculate such average annual interest rate for Periodic Interest Costs as soon as practicable after revised Credit Schedules are received from the Debt-Funded Contractors.

2. Based on the interest rate calculated in paragraph III.B.1 above, Western shall develop a forecast of monthly credits over the Contract term for each Cash-Funded Contractor. No later than July 16 of each year, Western shall provide to each of the Cash-Funded Contractors and each E&OC member the average annual interest rate for Periodic Interest Costs and the forecast of monthly credits for each Cash-Funded Contractor over the Contract term.

3. If statements of Credit Difference from Debt-Funded Contractors change the average annual interest rate for a prior Fiscal Year, then Western's next forecast of monthly credits pursuant to paragraph III.B.2 above shall reflect appropriate adjustments to each Cash-Funded Contractor's Indebtedness to recognize any surplus or deficiency in credits provided for such period.

4. Western shall confirm the consistency with Appendix 5 of the calculation of the credits by the Cash-Funded Contractors. Such confirmation shall include verification that the same average annual interest rate for Periodic Interest Cost is used for the same periods, and that the same assumptions regarding timing and amortization of payments are used in calculating the amount and schedule of credits for each Cash-Funded Contractor.

5. If the Credit Schedule submitted by a Cash-Funded Contractor differs from the forecast of monthly credits prepared by Western

pursuant to paragraph III.B.2 above, then Western and the Cash-Funded Contractor shall cooperate to resolve such differences.

C Credit Carryforward Administration:

1. Western will pay cash or obtain energy as requested by a Schedule B Contractor with a Credit Carryforward to reduce the amount of such Credit Carryforward as soon as practicable after a request for such cash payment or delivery of energy is received, even if such Credit Carryforward does not meet the 25% threshold referred to in Section 6.5.13 of the Contract, but subject to the other provisions of Section 6.5 of the Contract.

2. If an audit in accordance with Section 17 of the Contract is performed by the Contractors or Western and the results from such audit state that a cash payment or energy obtained to reduce a Credit Carryforward was in error, Western shall make billing adjustments to correct such error as determined appropriate in accordance with Section 15.1 of the Implementation Agreement. Any audit shall not be used to challenge the method by which any pre-1995 Credit Carryforwards of any Debt-Funded Contractor were reduced or eliminated through restructuring of debt.

3. Western shall calculate interest due on Credit Carryforwards based on the method shown in Appendix 7.

   a. Interest shall be paid retrospectively only on those Credit Carryforwards incurred by Cash-Funded Contractors as a result of the suspension of credits by Western from June, 1991 through February 1992.

   b. Beginning June 1, 1996, such interest shall be paid only on those Credit Carryforwards which accrue as a result of suspension of credits by Western due to insufficient Project funds, as determined by Western and Reclamation, pursuant to Section 6.5 of the Contract. In such event, interest shall accrue beginning 30 days after the end of the Billing Period for which such suspended credit applied. Credits shall not be suspended except due to insufficient funds as determined by Western and Reclamation.

c. The interest rate to be applied on suspended credits arising pursuant to paragraphs a. or b. above shall be as follows. The interest rate for each Debt-Funded Contractor shall be that interest rate reflecting the actual Periodic Interest Costs to such Debt-Funded Contractor. The interest rate for Cash-Funded Contractors shall be the average annual interest rate calculated under paragraph III.B.1, above.

D Although Section 6.5.10 of the Contract allows Advance Credits to be made, Western does not intend to make Advance Credits. The interest obligation of the Cash-Funded Contractors receiving previously paid Advance Credits, shall be determined in accordance with Appendix 7.

E. Annually, Western shall review and confirm the consistency of all statements of Credit Difference with these Procedures. If a Debt-Funded Contractor's statement of Credit Difference impacts the average annual interest rate for Periodic Interest Costs, Western shall follow the process described in paragraph III.B hereof to revise its forecast of monthly credits over the balance of the contract term for each Cash-Funded Contractor. Performance of the provisions of this paragraph shall satisfy the intent of Section 6.5.7 of the Contract with respect to Western's responsibilities related to Credit Differences.

F Western shall update its records including Exhibit A, the form of which is provided as Appendix 8, based on the information developed pursuant to these Procedures for each Schedule B Contractor in order to document the administration of Section 6.5 of the Contract. The Credit Schedules and Appendices will be distributed to each member of the E&OC as soon as the Schedule B Contractor and Western have concurred in the documentation, but no later than the first day of each Fiscal Year.

G. Western shall report at each E&OC meeting on any issues or unforeseen circumstances which arise in implementing these Procedures. Western will provide copies of any revised exhibits, at each E&OC meeting, documenting credit administration including its forecast of monthly credits over the balance of the Contract term, and its Exhibit A for each Contractor.

IV. RECLAMATION'S ADMINISTRATIVE OBLIGATIONS

Reclamation shall perform the following:

A. If there are insufficient funds to pay credits in accordance with Section 6.5 of the Contract as determined by Western and Reclamation, Reclamation shall request that Western suspend credits, shall identify the estimated term of the requested suspension, and shall request that Western provide notice to the Contractors of the requested suspension.

B. To the extent that Credit Carryforwards arise beginning June 1, 1996, due to an excess of credits scheduled over power bills to which they apply, Reclamation shall maintain in the Colorado River Dam Fund amounts sufficient to pay all such Credit Carryforwards, and such amounts shall be available at any time to reduce such Credit Carryforwards.

V. RECONCILIATION OF ADVANCES, CREDIT AMOUNTS, CREDIT DIFFERENCES AND CREDIT CARRYFORWARDS THROUGH COMPLETION OF THE UPRATING PROGRAM

A. Obligations of the Contractors:

1 Reclamation having declared the Uprating Program substantially complete as of September 30, 1995, each Debt-Funded Contractor shall determine, as soon as possible, the amount of funds expected to be available to purchase or redeem indebtedness in accordance with Section 6.5.6 of the Contract, and shall provide to each member of the E&OC notice of such amount, together with the underlying calculations by June 1, 1996.

2. Each Debt-Funded Contractor shall submit a revised Credit Schedule promptly after any such purchase or redemption, in accordance with Section 6.5.6 of the Contract.

3. The Contractors shall provide any additional information requested by Western which Western determines is relevant in its administration of the Contract in accordance with Section 17 of the Contract.

B. Obligations of Western:

1. Western shall compile the data required by this Procedure for the Uprating Program and shall disseminate the data to the Contractors.

2. Upon receiving revised Credit Schedules due to the substantial completion of the Uprating Program, Western shall calculate the revised average annual interest rate for Periodic Interest Costs and notify the Cash-Funded Contractors of such revision.

VI. UPRATING CREDIT DOCUMENTATION

A. Historic documentation supporting the administration of Section 6.5 of the Contracts through September 30, 1995 shall be provided by Western to all Contractors by June 1, 1996. This documentation shall include:

1 The reconciled accounting of all advances by each Schedule B Contractor and Reclamation for the purpose of the non-federal financing of the Uprating Program, as documented in Appendix 9.

2. The reconciled accounting by billing period of Credit Amounts, Credits applied, and Credit Carryforwards for the term of the Contract through September 30, 1995.

3. Historic correspondence between Western and the Schedule B Contractors regarding the Uprating Program.

4. Historic Credit Schedules submitted to Western by the Schedule B Contractors.

5. A copy of the "Interim Contract Related to Uprating Program at Hoover Powerplant" and "The Advance of Funds for the Uprating Program at Hoover Powerplant", such Contracts to be provided by Reclamation.

6. The calculation of interest to Cash-Funded Contractors on suspended Credit Carryforwards in accordance with Section III.C.3 and Appendix 7.

LIST OF APPENDICES

APPENDIX 1

FULFILLMENT OF APPENDIX H OF THE IMPLEMENTATION AGREEMENT

APPENDIX 1

FULFILLMENT OF APPENDIX H OF THE IMPLEMENTATION AGREEMENT

These Procedures fulfill the requirements of Appendix H of the Implementation Agreement, which are listed below:

1. To the extent applicable, the Schedule B Contractors, Western, and Reclamation agree to provide all Parties with the following information supporting the determination of credits provided pursuant to Section 6.5 of the Contract:

   a. Records of historic and planned Advances.

   b. Administrative and general expenses associated with the financial management and debt issues.

   c. Accounting practices in the financial management of the debt issued.

   d. Investment income earned on bond proceeds.

   e. Claims of interest due on Credit Carryforwards.

   f. Historic and current Credit Schedules.

   g. Historic and current Credit Carryforwards.

   h. Working capital accounts established by Contractor's Advances through means defined in Section 6.5.2(i).

   i. Historic Credit Difference information.

   j. Official statements and trustee reports, including cash flows for all funds.

   k. Other relevant financial data, methodologies, and accounting practices requested by any other Party related to non-federal financing of the Uprating Program.

2. The Parties agree to participate in the development of the Procedures.

3. Western shall review Uprating Credit information submitted by each Schedule B Contractor, and Certify that such information is in conformance with such Procedures.

CREDIT SCHEDULE AND SUPPORTING FINANCIAL EXHIBITS FOR DEBT-FUNDED CONTRACTORS

APPENDIX 2

APPENDIX 2

CREDIT SCHEDULE AND SUPPORTING FINANCIAL EXHIBITS FOR DEBT-FUNDED CONTRACTORS

In accordance with the Procedures for the administration of Section 6.5 of the Electric Service Contracts, the following information shall be provided by each Debt-Funded Contractor in support of its claimed credits to be incorporated into the Boulder Canyon Project's annual rates.

Item 1 - Credit Schedule

The format of the monthly Credit Schedule submitted by each Debt-Funded Contractor shall be in accordance with the attachment for Item 1, which is included at the end of this appendix. The period of time included in each Credit Schedule shall begin with the next fiscal year of the Boulder Canyon Project through the end of the contract period (2017).

Item 2 - Debt Service Schedule

Each Debt-Funded Contractor shall submit a copy of the debt service schedule which corresponds to the Credit Schedule submitted in accordance with Item 1 of this appendix. Each schedule will show the original debt service, any offset associated with escrowed funds, and the net debt service. The schedules will illustrate separately the principal, interest, and total debt service on the same periodic basis as the actual debt service payments are made to the Contractor's bond holders as illustrated on the attachment for Item 2.

Item 3 - Forecast of Other Costs

An annual forecast of Other Costs, which have been included in the Credit Schedule submitted in accordance with Item 1 of this appendix, shall be submitted by each Debt-Funded Contractor. The period of time included in each forecast of Other Costs shall be the same period included in the Credit Schedule submitted in accordance with Item 1 of this appendix. Each forecast shall provide a breakout of the projected Other Costs by the categories shown on the attachment for Item 3.

Item 4 - Calculation of Interest Income

Each Debt-Funded Contractor shall submit a projection of the annual interest income expected to be earned on any funds associated with the debt issued to finance the Uprating Project and for which credits are to be received for the repayment of this debt. The period of time included in each forecast of interest income shall be the same period included in the Credit Schedule submitted in accordance with Item 1 of this appendix. The format for this information shall be as shown on attachment for Item 4.

Item 5 - Periodic Interest Costs

In accordance with the format illustrated on the attachment for Item 5, each Debt-Funded Contractor will provide a summary sheet of their respective credit information necessary to calculate the Periodic Interest Costs. This information includes an annual summary of the Debt-Funded Contractor's interest expense and Other Costs, which were included in the Contractor's Credit Schedule submitted in accordance with Item 1 of this appendix, and the remaining principal balance of the Contractor's outstanding bonds.

APPENDIX 2 - ITEM 1 ATTACHMENT
<u>CREDIT SCHEDULE AND SUPPORTING FINANCIAL EXHIBITS -COMMENCING FY 1996</u>

CREDIT SCHEDULE
FOR DEBT-FUNDED CONTRACTORS

Financing Entity: ____________________

FY	1 Billing Period	2 Amounts Accruing for Payment of Principal	3 Interest Expense	4 Other Costs	5 Less Investment Income	6 Transfer From Bond Proceeds (Reserve Funds)	7 Monthly Credit Schedule (2+3+4)-(5+6)
	Oct	$ -	$ -	$ -	$ -	$ -	$ -
	Nov	-	-	-	-	-	-
	Dec	-	-	-	-	-	-
Year	Jan	-	-	-	-	-	-
	Feb	-	-	-	-	-	-
	Mar	-	-	-	-	-	-
	Apr	-	-	-	-	-	-
	May	-	-	-	-	-	-
	Jun	-	-	-	-	-	-
	Jul	-	-	-	-	-	-
	Aug	-	-	-	-	-	-
	Sep	-	-	-	-	-	-
Total FY "Year"		-	-	-	-	-	-
	Oct	-	-	-	-	-	-
	Nov	-	-	-	-	-	-
	Dec	-	-	-	-	-	-
Year	Jan	-	-	-	-	-	-
	Feb	-	-	-	-	-	-
	Mar	-	-	-	-	-	-
	Apr	-	-	-	-	-	-
	May	-	-	-	-	-	-
	Jun	-	-	-	-	-	-
	Jul	-	-	-	-	-	-
	Aug	-	-	-	-	-	-
	Sep	-	-	-	-	-	-
Total FY "Year"		-	-	-	-	-	-
	Oct	-	-	-	-	-	-
	Nov	-	-	-	-	-	-
	Dec	-	-	-	-	-	-
Year	Jan	-	-	-	-	-	-
	Feb	-	-	-	-	-	-
	Mar	-	-	-	-	-	-
	Apr	-	-	-	-	-	-
	May	-	-	-	-	-	-
	Jun	-	-	-	-	-	-
	Jul	-	-	-	-	-	-
	Aug	-	-	-	-	-	-
	Sep	-	-	-	-	-	-
Total FY "Year"		-	-	-	-	-	-

APPENDIX 2 - ITEM 2 ATTACHMENT
CREDIT SCHEDULE AND SUPPORTING FINANCIAL EXHIBITS - COMMENCING FY 1996

DEBT SERVICE SCHEDULE

Financing Entity: ____________________

Issuance Date and Amount ________________________ (1)

	1	2	3	4	5	6	7
	Principal			Interest			
Date	Original Amount	Escrow Offset	Net Amount 1 - 2	Original Amount	Escrow Offset	Net Amount 4 - 5	Net Debt Service 3 + 6
-	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

(1) Include a separate debt service schedule for each outstanding issuance.

FORECAST OF OTHER COSTS

Financing Entity : ____________________

Operating Year (Oct 1 - Sept 30)	1 Financial Advisor	2 Bond Counsel	3 Legal Counsel	4 Engineering	5 Auditors	6 Remarketing	7 Trustee	8 Administrative	9 Miscellaneous	10 Annual Total sum of Col. 1 to 9
Base Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assumed Esc. Rate	___%									
Projected Expenses										
1996	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1997	-	-	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-

FOOTNOTES:

Provide information explaining the basis for the forecast of Other Costs provided in compliance with the Procedures and this Appendix 2

CALCULATION OF INTEREST INCOME

Financing Entity:____________________

Fund Balances Available for Interest Earnings

Fund Titles (1)	Amount
Fund A (Description)	$ -
Fund B (Description)	-
(etc.)	-
Balance for Interest Income	$ -

Determination of Credit Offsets from Interest Income

Ending Period	1 Balance for Interest Income	2 Withdrawal	3 Avg. Balance for Interest Income (2)	4 Estimated Interest Rate	5 Interest Income Col 3 Multiplied by Col. 4
9/30/__	$ -	$ -	$ -	-%	$ -
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
9/30/__	-	-	-	-	-
Total		$ -			$ -

(1) Provide the title or description of each fund
(2) Represents a weighted average balance based on the expected timing of withdrawals throughout the fiscal year

PERIODIC INTEREST COSTS

Financing Entity: ____________________

Ending Period	1 Interest Expense	2 Other Costs	3 Total Periodic Interest Costs 1 + 2	4 Outstanding Principal	5 Periodic Interest Rate 3 Divided by 4
9/30/86	$ -	$ -	$ -	$ -	$ -
9/30/87	-	-	-	-	-
9/30/88	-	-	-	-	-
9/30/89	-	-	-	-	-
9/30/90	-	-	-	-	-
9/30/91	-	-	-	-	-
9/30/92	-	-	-	-	-
9/30/93	-	-	-	-	-
9/30/94	-	-	-	-	-
9/30/95	-	-	-	-	-
9/30/96	-	-	-	-	-
9/30/97	-	-	-	-	-
9/30/98	-	-	-	-	-
9/30/99	-	-	-	-	-
9/30/00	-	-	-	-	-
9/30/01	-	-	-	-	-
9/30/02	-	-	-	-	-
9/30/03	-	-	-	-	-
9/30/04	-	-	-	-	-
9/30/05	-	-	-	-	-
9/30/06	-	-	-	-	-
9/30/07	-	-	-	-	-
9/30/08	-	-	-	-	-
9/30/09	-	-	-	-	-
9/30/10	-	-	-	-	-
9/30/11	-	-	-	-	-
9/30/12	-	-	-	-	-
9/30/13	-	-	-	-	-
9/30/14	-	-	-	-	-
9/30/15	-	-	-	-	-
9/30/16	-	-	-	-	-
9/30/17	-	-	-	-	-

GUIDELINES FOR "OTHER COSTS"

APPENDIX 3

APPENDIX 3

GUIDELINES FOR "OTHER COSTS"

Section 6.5.3 of the Contract provides that:

> "As used in this subsection 6.5, "Interest Costs" shall include all amounts used or anticipated to be used for interest payments, issuance expenses, discounts, reserves, credit support and similar fees, remarketing fees, and other financing expenses (to the extent such other financing expenses are incurred to service or reduce the interest payments with respect to Indebtedness); whether incurred by the Schedule B Contractor or by any entity acting on behalf of, or as assignee of, the Schedule B Contractor. As used in this subsection 6.5: "Funded Interest Costs" shall include that portion of Interest Costs paid or anticipated to be paid from the proceeds of Indebtedness; and all other Interest Costs shall constitute "Periodic Interest Costs."

The term "Other Costs" is applied to those "other financing expenses" which are incurred "to service or reduce interest payments," but which are not specifically listed in section 6.5.3.

The following are examples of financing expenses which are eligible for recovery as "Other Costs":

> Trustee expenses, bond counsel fees and costs, other directly related legal services and expenses, services of rating agencies, services of engineering consultants which support remarketing and credit schedules, tender agent fees, financial advice specifically related to the disposition of Indebtedness, audit costs and other directly attributable costs. Reasonable accounting, administrative and general costs that are directly attributable to other financing expenses incurred to service outstanding bonds or to comply with bond covenants may also be recovered, but the rationale and specific calculations supporting the allocation of such costs to the Uprating Program shall be provided.

The following are examples of expenses which should not be included as "Other Costs":

> Expenses associated with administering the Electric Service Contracts, and the Implementation Agreement including costs of attending meetings (such as E&OC, Coordinating Committee, Uprating Credit Committee, Visitors Facilities, Budget Review, Ten-Year Plan, rate

proceedings and forums, criteria and standards, multi-project benefits and costs, initial audit, conservation and renewable energy and Western's Transformation), customer or participant billing expenses (except those related to accounting for Uprating Credits), and power scheduling and accounting expenses.

Each Schedule B Contractor is responsible for determining, consistent with these procedures, what "Other Costs" should be recovered through credits.

Total amounts of "Other Costs" incurred through September, 1995 to be included in Credit Schedules are identified in Table 3.1.

Table 3.1
Other Costs
June, 1987 Through September, 1995

Fiscal Year	APA	CRC	SCPPA
1986		$ 207,817.80	
1987	$ 16,920.11	$ 233,553.18	$ 128,283.00
1988	$ 46,561.45	$ 124,942.24	$ 166,391.00
1989	$ 124,407.68	$ 5,878.69	$ 124,159.19
1990	$ 130,432.90	$ 8,096.58	$ 195,144.59
1991	$ 106,820.26	$ 6,055.27	$ 286,632.91
1992	$ 63,936.83	$ 203,138.19	$ 329,724.80
1993	$ 68,657.67	$ 18,536.02	$ 282,201.00
1994	$ 63,884.77	$ 9,272.39	$ 381,809.84
1995	$ 87,582.17	$ 5,865.61	$ 341,333.62
TOTAL	$ 709,203.84	$ 823,155.97	$2,235,679.95

APPENDIX 4

STATEMENT OF CREDIT DIFFERENCE

APPENDIX 4

STATEMENT OF CREDIT DIFFERENCE

The intent of the financial information provided in the Statement of Credit Difference is to provide a means of annually reconciling the amounts received through credits by each Debt-Funded Contractor with the actual revenue requirements associated with servicing their debt. In light of the unique accounting procedures employed by each of the Debt-Funded Contractors, the attachment to this appendix provides for a generic accounting of the fund balances and expenses associated with each debt issuance The information provided in accordance with the attachment will provide a basis for determining the Statement of Credit Difference required under Section II.B.

Attachment Instructions

The attachment to this appendix shall be filed annually by each Debt-Funded Contractor by the same December 15th deadline set forth in paragraph II.B.3.a of the Procedures for the filing of Credit Differences. In completing the attachment to this appendix, each Debt-Funded Contractor shall list separately (in place of the representative "Fund A, Fund B, etc.) each fund maintained by the Contractor from which the source of the fund was obtained, in whole or in part, from the proceeds of debt issued in accordance with the Uprater Program and for which the repayment of the associated debt will be achieved, in whole or in part, through the receipt of credits. The dollar value of each fund is to be based upon the face value of any financial instruments held in the fund rather than the market value.

STATEMENT OF CREDIT DIFFERENCE FOR DEBT-FUNDED CONTRACTORS

Financing Entity ____________________
Fiscal Year Ending September 30, ______

	Actual Amount	Estimated Amount Included in Credit Schedule	Difference
BEGINNING FUND BALANCES			
Fund A (Insert fund name)	x		
Fund B	x		
(etc.)	x		
Total Beginning Fund Balances	x		
SOURCES OF FUNDS			
Credits (1)	x	x	x
Interest Income			
Fund A (Name)	x	x	x
Fund B	x	x	x
(etc.)	x	x	x
Total Interest Income	x	x	x
Transfer from Reserves			
Fund A (Name)	x	x	x
Fund B	x	x	x
(etc.)	x	x	x
Total Sources of Funds	x	x	x
USES OF FUNDS			
Debt Service Payments			
Interest	x	x	x
Principal	x	x	x
Total Debt Service	x	x	x
Other Costs			
Financial Advisor	x	x	x
Bond Counsel	x	x	x
Legal Counsel	x	x	x
Engineering	x	x	x
Auditors	x	x	x
Remarketing	x	x	x
Trustee	x	x	x
Administrative	x	x	x
Miscellaneous	x	x	x
Total Other Costs	x	x	x
Total Uses of Funds	x	x	x
ENDING FUND BALANCES			
Fund A (Name)	x		
Fund B	x		
(etc.)	x		
Total Ending Fund Balances	x		
Total Credit Difference (Total Sources of Funds less Total Uses of Funds) ⟶			x

(1) Specify the basis for any difference between the credits received versus those included in the Credit Schedule.

CREDIT SCHEDULE
FOR CASH-FUNDED CONTRACTORS

APPENDIX 5

APPENDIX 5

CREDIT SCHEDULE FOR CASH-FUNDED CONTRACTORS

The following is an explanation of the format for the Credit Schedule for Cash-Funded Contractors. References to the relevant sections of the Procedures are made for ease of reference.

Column 1: The **BEGINNING OF PERIOD ADVANCE** is the actual monthly Advance by the Contractor to Reclamation.

Column 2: The **CUMULATIVE ADVANCE** by the Contractor to Reclamation is the previous month's Cumulative Advance (Column 2) plus the actual current month's Beginning of Period Advance (Column 1) by the Contractor to Reclamation.

Column 3: The **AVERAGE ANNUAL INTEREST RATE** as calculated pursuant to Paragraph III.B.1.

Column 4: The **MONTHLY INTEREST RATE** is the Average Annual Interest Rate (Column 3) compounded monthly. The formula is the Average Annual Interest Rate (Column 3) plus 1 to the twelfth power minus 1.

Column 5: The **BEGINNING OF PERIOD OUTSTANDING PRINCIPAL** is the sum of the current month's Beginning of Period Advance (Column 1) to Reclamation plus the previous month's End of Period Outstanding Principal (Column 10).

Column 6: The number of **REMAINING BILLING PERIODS** (Months) under the contract.

Column 7: The **PRINCIPAL** is the Payment (Column 9) less the Interest (Column 8).

Column 8: The **INTEREST** is the Beginning of Period Outstanding Principal (Column 5) multiplied by the Monthly Interest Rate (Column 4) rounded to the nearest penny.

Column 9: The **MONTHLY CREDIT SCHEDULE** is based on level amortization given the Beginning of Period Outstanding Principal (Column 5), the Monthly Interest Rate (Column 4), and the Remaining Billing Periods (Column 6), rounded to the nearest penny.

Column 10: The **END OF PERIOD OUTSTANDING PRINCIPAL** is the Beginning of Period Outstanding Principal (Column 5) plus Interest (Column 8) less the Payment (Column 9).

CREDIT SCHEDULE

Financing Entity: ______________________________

FY	BILLING PERIOD	1 BEGINNING OF PERIOD ADVANCE	2 CUMULATIVE ADVANCE 2 PREV MO + 1	3 AVERAGE ANNUAL INTEREST RATE	4 MONTHLY INTEREST RATE ((3+1)^(1/12)) 1	5 BEGINNING OF PERIOD OUTSTANDING PRINCIPAL 1 + 10 PREV MO	6 REMAINING BILLING PERIODS (MONTHS)	7 PRINCIPAL 9 8	8 INTEREST ROUND(5 * 4,2)	9 MONTHLY CREDIT SCHEDULE ROUND(PMT(4,6,5),2)	10 END OF PERIOD OUTSTANDING PRINCIPAL 5 + 8 - 9
Year	APR	$0 00	$0 00	8 184900%	0 657751%	$0 00	378	$0 00	$0 00	$0 00	$0 00
	MAY	$0 00	$0 00	8 184900%	0 657751%	$0 00	377	$0.00	$0 00	$0 00	$0 00
	JUN	$0 00	$0 00	8 184900%	0 657751%	$0 00	376	$0.00	$0 00	$0 00	$0 00
	JUL	$0 00	$0 00	8 150900%	0 655114%	$0 00	375	$0.00	$0 00	$0.00	$0 00
	AUG	$0 00	$0 00	8 150900%	0 655114%	$0 00	374	$0 00	$0 00	$0 00	$0 00
	SEP	$0 00	$0 00	8 150900%	0 655114%	$0 00	373	$0.00	$0.00	$0.00	$0 00
TOTAL FY "Year"		$0 00						$0.00	$0.00	$0.00	
	OCT	$0 00	$0 00	8 150900%	0 655114%	$0 00	372	$0 00	$0.00	$0 00	$0 00
	NOV	$0 00	$0 00	8 150900%	0 655114%	$0 00	371	$0 00	$0 00	$0 00	$0 00
	DEC	$0 00	$0 00	8 150900%	0 655114%	$0 00	370	$0 00	$0 00	$0 00	$0 00
Year	JAN	$0 00	$0 00	8 150900%	0 655114%	$0 00	369	$0 00	$0 00	$0 00	$0 00
	FEB	$0 00	$0 00	8 150900%	0 655114%	$0 00	368	$0 00	$0 00	$0 00	$0 00
	MAR	$0 00	$0 00	7 203400%	0 581331%	$0 00	367	$0.00	$0 00	$0 00	$0 00
	APR	$0 00	$0 00	7 203400%	0 581331%	$0 00	366	$0 00	$0 00	$0 00	$0 00
	MAY	$0 00	$0 00	7 533700%	0 607120%	$0 00	365	$0 00	$0 00	$0.00	$0 00
	JUN	$0 00	$0 00	7 533700%	0 607120%	$0 00	364	$0.00	$0 00	$0.00	$0 00
	JUL	$0 00	$0 00	7 533700%	0 607120%	$0 00	363	$0.00	$0 00	$0.00	$0 00
	AUG	$0 00	$0 00	7 533700%	0 607120%	$0 00	362	$0.00	$0 00	$0 00	$0 00
	SEP	$0 00	$0 00	7 533700%	0 607120%	$0 00	361	$0 00	$0.00	$0 00	$0 00
TOTAL FY "Yea "		$0 00						$0 00	$0 00	$0.00	

CALCULATION OF AVERACE ANNUAL INTEREST RATE FOR CASH-FUNDED CONTRACTORS

APPENDIX 6

CALCULATION OF AVERAGE ANNUAL INTEREST RATE
FOR CASH FUNDED CONTRACTORS

		APA		CRC		SCPPA				
		A	B	C	D	E	F	G = A+C+E	H = B+D+F	F = (G/H)x100
Period Beginning	Period Ending	Periodic Interest Costs (1)	Outstanding Principal	Periodic Interest Costs (1)	Outstanding Principal	Periodic Interest Costs (1)	Outstanding Principal	Total Periodic Interest Costs (1)	Total Outstanding Principal	Interest Rate (2)
11/85	6/86	$8,671,240.00	$98,425,000.00	$3,436,661.35	$46,965,000.00	$0.00	$0.00	$12,107,901.35	$145,390,000.00	8.3279%
7/86	9/86	$8,671,240.00	$98,425,000.00	$3,436,661.35	$46,965,000.00	$2,757,220.00	$34,435,000.00	$14,865,121.35	$179,825,000.00	8.2664%
10/86	2/87	$8,688,160.11	$98,425,000.00	$3,462,396.93	$46,965,000.00	$2,885,503.00	$34,435,000.00	$15,036,060.04	$179,825,000.00	8.3615%
3/87	4/87	$6,364,800.11	$89,820,000.00	$3,462,396.93	$46,965,000.00	$2,885,503.00	$34,435,000.00	$12,712,700.04	$171,220,000.00	7.4248%
5/87	9/87	$6,364,800.11	$89,820,000.00	$6,478,879.43	$79,500,000.00	$2,885,503.00	$34,435,000.00	$15,729,182.54	$203,755,000.00	7.7197%
10/87	9/88	$6,394,441.45	$89,820,000.00	$6,370,268.49	$79,500,000.00	$2,923,611.00	$34,435,000.00	$15,688,320.94	$203,755,000.00	7.6996%
10/88	9/89	$6,472,287.68	$89,820,000.00	$6,251,204.94	$79,500,000.00	$2,881,379.19	$34,435,000.00	$15,604,871.81	$203,755,000.00	7.6586%
10/89	9/90	$6,478,312.90	$89,820,000.00	$6,253,422.83	$79,500,000.00	$2,952,364.59	$34,435,000.00	$15,684,100.32	$203,755,000.00	7.6975%
10/90	7/91	$6,454,700.26	$89,820,000.00	$6,251,381.52	$79,500,000.00	$3,043,852.91	$34,435,000.00	$15,749,934.69	$203,755,000.00	7.7298%
8/91	9/91	$6,454,700.26	$89,820,000.00	$6,251,381.52	$79,500,000.00	$2,947,781.66	$41,600,000.00	$15,653,863.44	$210,920,000.00	7.4217%
10/91	2/92	$6,411,816.83	$89,820,000.00	$6,448,464.44	$79,500,000.00	$2,990,873.55	$41,600,000.00	$15,851,154.82	$210,920,000.00	7.5152%
3/92	9/92	$6,411,816.83	$89,820,000.00	$4,847,288.19	$72,310,000.00	$2,990,873.55	$41,600,000.00	$14,249,978.57	$203,730,000.00	6.9945%
10/92	4/93	$6,416,537.67	$89,820,000.00	$4,634,105.65	$71,865,000.00	$2,923,519.07	$41,290,000.00	$13,974,162.39	$202,975,000.00	6.8847%
5/93	9/93	$4,237,141.42	$81,410,000.00	$4,634,105.65	$71,865,000.00	$2,923,519.07	$41,290,000.00	$11,794,766.14	$194,565,000.00	6.0621%
10/93	9/94	$4,175,276.52	$80,295,000.00	$4,608,089.39	$71,575,000.00	$2,967,794.77	$40,385,000.00	$11,751,160.68	$192,255,000.00	6.1123%
10/94	9/95	$4,163,530.22	$79,105,000.00	$4,585,992.24	$71,265,000.00	$2,869,486.02	$39,420,000.00	$11,619,008.48	$189,790,000.00	6.1220%

Notes: 1. Periodic Interest Costs = Sum of Annualized Interest Costs and Other Costs for Each Debt-Funded Contractor (Page 2, Column E)

2. Interest Rate = $\frac{\text{Total Periodic Interest Costs x 100}}{\text{Total Outstanding Principal}}$ = Average Annual Interest Rate for Periodic Interest Cost as set forth in Paragraph III. B.1.

Periodic Interest Costs Calculation

			APA				
			A	B	C = A x B	D	E = C + D
Period Length	Period Beginning	Period Ending	Outstanding Principal	Annual Interest Rate (2)	Annualized Interest Costs	Other Costs (1)	Periodic Interest Costs
6	11/85	6/86	98 425,000.00	8.8100%	8,671,240.00		8 671 240 00
3	7/86	9/86	98 425 000 00	8 8100%	8,671,240.00		8 671,240 00
5	10/86	2/87	98.425 000 00	8.8100%	8,671,240.00	16.920 11	8 688 160 11
2	3/87	4/87	89 820 000.00	7.0673%	6,347,880.00	16.920 11	6.364 800 11
5	5/87	9/87	89 820 000.00	7.0673%	6.347 880.00	16.920 11	6.364 800 11
12	10/87	9/88	89 820 000 00	7.0673%	6.347,880.00	46.561 45	6.394 441 45
12	10/88	9/89	89 820 000 00	7 0673%	6 347 880 00	124 407 68	6.472.287 68
12	10/89	9/90	89 820.000 00	7.0673%	6.347 880.00	130.432.90	6.478 312 90
10	10/90	7/91	89 820.000.00	7 0673%	6.347.880.00	106.820.26	6 454 700.26
2	8/91	9/91	89.820 000 00	7 0673%	6.347.880.00	106.820.26	6 454 700 26
5	10/91	2/92	89 820 000.00	7 0673%	6 347.880.00	63.936.83	6 411 816 83
7	3/92	9/92	89 820 000 00	7 0673%	6 347 880.00	63.936 83	6 411 816 83
7	10/92	4/93	89 820 000 00	7 0673%	6,347,880.00	68.657 67	6 416 537 67
5	5/93	9/93	81 410 000 00	5 1204%	4 168 483 75	68.657 67	4 237 141 42
12	10/93	9/94	80 295 000 00	5.1204%	4.111.391.75	63 884 77	4 175 276 52
12	10/94	9/95	79 105 000 00	5 1526%	4.075 948 05	87.582 17	4 163.530 22

			CRC				
			A	B	C = A x B	D	E = C + D
Period Length	Period Beginning	Period Ending	Outstanding Principal	Annual Interest Rate (2)	Annualized Interest Costs	Other Costs (1)	Periodic Interest Costs
6	11/85	6/86	46 965 000 00	6 8750%	3.228 843 75	207 817 60	3 436 661 35
3	7/86	9/86	46 965 000 00	6 8750%	3.228 843 75	207.817 60	3 436 66[illegible]
5	10/86	2/87	46 965 000 00	6 8750%	3.228 843.75	233.553.18	3 462 396 93
2	3/87	4/87	46 965 000 00	6 8750%	3.228 843.75	233.553 18	3 462.396 93
5	5/87	9/87	79 500 000 00	7 8558%	6.245 326 25	233 553 18	6 478 879 43
12	10/87	9/88	79 500 000 00	7 8558%	6 245.326.25	124.942.24	6,370.268 49
12	10/88	9/89	79 500 000 00	7 8558%	6.245.326.25	5.878 69	6 251 204 94
12	10/89	9/90	79 500 000 00	7 8558%	6.245 326 25	8 096 58	6 253 422 83
10	10/90	7.91	79 500 000 00	7 8558%	6 245 326 25	6.055 27	6 251 381 52
2	8/91	9/91	79 500 000 00	7 8558%	6.245 326 25	6.055.27	6 251 381 52
5	10/91	2/92	79 500 000 00	7 8558%	6 245 326 25	203 138 19	6 448 464 44
7	3/92	9/92	72.310 000 00	6 4226%	4 644 150 00	203.138 19	4 847 288 19
7	10/92	4/93	71 865 000 00	6 4226%	4 615 569 63	18 536 02	4 634 105 65
5	5/93	9/93	71 865 000 00	6 4226%	4 615 569 63	18.536 02	4 634 105 65
12	10/93	9/94	71 575 000 00	6 4252%	4 598 817 00	9 272 39	4 608 089 39
12	10/94	9/95	[illegible] 265 [illegible] 00	6 4269%	4 580 126 63	5 865 61	4 585 992 24

			SCPPA				
			A	B	C = A x B	D	E = C + D
Period Length	Period Beginning	Period Ending	Outstanding Principal	Annual Interest Rate (2)	Annualized Interest Costs	Other Costs (1)	Periodic Interest Costs
6	11/85	6/86					
3	7/86	9/86	34 435 000 00	8 0070%	2 757 220 00		2 757 220 00
5	10/86	2/87	34 435 000 00	8 0070%	2.757 220 00	128.283 00	2 885 503 00
2	3/87	4/87	34 435 000 00	8 0070%	2.757,220 00	128.283 00	2.885 503 00
5	5/87	9/87	34 435 000 00	8 0070%	2 757 220 00	128.283 00	2 885 503 00
12	10/87	9/88	34 435 000 00	8 0070%	2 757 220 00	166.391 00	2 923 611 00
12	10/88	9/89	34 435 000 00	8 0070%	2 757.220 00	124 159 19	2 881 379 19
12	10/89	9/90	34 435 000 00	8 0070%	2.757 220 00	195 144 59	2.952 364 59
10	10/90	7/91	34 435 000 00	8 0070%	2 757 220 00	286 632.91	3 043 852 91
2	8/91	9/91	41 600 000 00	6 3970%	2 661 148 75	286 632 91	2 947 781 66
5	10/91	2/92	41 600 000 00	6 3970%	2 661 148 75	329 724 80	2.990 873 55
7	3/92	9/92	41 600 000 00	6 3970%	2 661 148 75	329 724 80	2 990.873 55
7	10/92	4/93	41 290 000 00	6 3970%	2.641 318.07	282.201 00	2.923 51[illegible]
5	5/93	9/93	41 290 000 00	6 3970%	2.641 318.07	282.201 00	2 923 519 07
12	10/93	9/94	40 385 000 00	6 4033%	2.585 984 93	381 809 84	2.967 794 77
12	10/94	9/95	39 420 000 00	6 4134%	2 528 152 40	341 333 62	2 869 486 02

(1) Other Costs from Table 3 1 Appendix 3
(2) Annual Interest Rate from Bond Issue Summary Attachment, Page 7

VERAGE ANNUAL INTEREST RATE FOR CASH FUNDED CONTRACTORS

ARIZONA POWER AUTHORITY
DEBT ISSUES

APA POWER REVENUE BONDS
DECEMBER 6, 1985

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$800,000	0.81280163%	6.500%	0.0528%
1994	$880,000	0.89408179%	6.750%	0.0604%
1995	$975,000	0.99060198%	7.000%	0.0693%
1996	$1,080,000	1.09728219%	7.250%	0.0796%
1997	$1,200,000	1.21920244%	7.500%	0.0914%
1998	$1,330,000	1.35128270%	7.750%	0.1047%
1999	$1,480,000	1.50368301%	8.000%	0.1203%
2000	$1,650,000	1.67640335%	8.100%	0.1358%
2001				
2002				
2003				
2004				
2005				
2006	$14,845,000	15.08255017%	8.700%	1.3122%
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017	$74,185,000	75.37211074%	9.000%	6.7835%
TOTAL	$98,425,000	100.00000000%		8.8100%

APA POWER REVENUE BONDS
MARCH 30, 1987

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$800,000	0.89067023%	5.400%	0.0481%
1994	$880,000	0.97973725%	5.600%	0.0549%
1995	$975,000	1.08550434%	5.800%	0.0630%
1996	$1,080,000	1.20240481%	6.000%	0.0721%
1997	$1,200,000	1.33600534%	6.100%	0.0815%
1998	$1,330,000	1.48073926%	6.250%	0.0925%
1999	$1,480,000	1.64773992%	6.400%	0.1055%
2000	$1,650,000	1.83700735%	6.500%	0.1194%
2001				
2002				
2003				
2004				
2005				
2006	$14,845,000	16.52749944%	7.100%	1.1735%
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017	$65,580,000	73.01269205%	7.200%	5.2569%
TOTAL	$89,820,000	100.00000000%		7.0873%

APA POWER REVENUE BONDS
MAY 14, 1993

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993				
1994	$1,115,000	1.36961061%	2.800%	0.0383%
1995	$1,140,000	1.40173000%	3.400%	0.0487%
1996	$1,280,000	1.57228842%	3.700%	0.0582%
1997	$1,380,000	1.69512349%	4.100%	0.0695%
1998	$1,490,000	1.83030374%	4.300%	0.0787%
1999	$1,625,000	1.99606928%	4.500%	0.0898%
2000	$1,775,000	2.18032183%	4.700%	0.1025%
2001	$1,875,000	2.30209963%	4.800%	0.1104%
2002	$2,115,000	2.59796094%	4.900%	0.1273%
2003	$2,320,000	2.84977270%	5.000%	0.1425%
2004	$2,545,000	3.12615150%	5.100%	0.1594%
2005	$2,790,000	3.42709741%	5.200%	0.1782%
2006	$3,070,000	3.77103550%	5.300%	0.1999%
2007	$3,385,000	4.15790505%	5.400%	0.2245%
2008	$3,745,000	4.60017197%	5.400%	0.2484%
2009				
2010				
2011				
2012				
2013	$24,455,000	30.03930721%	5.375%	1.6146%
2014				
2015				
2016				
2017	$25,185,000	30.93600295%	5.250%	1.6241%
TOTAL	$81,410,000	100.00000000%		5.1204%

APA POWER REVENUE BONDS
DECEMBER 6, 1985

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$800,000	0.81280163%	6.500%	8.810%
1994	$880,000	0.89408179%	6.750%	8.829%
1995	$975,000	0.99060198%	7.000%	8.848%
1996	$1,080,000	1.09728219%	7.250%	8.867%
1997	$1,200,000	1.21920244%	7.500%	8.885%
1998	$1,330,000	1.35128270%	7.750%	8.903%
1999	$1,480,000	1.50368301%	8.000%	8.920%
2000	$1,650,000	1.67640335%	8.100%	8.935%
2001				8.950%
2002				8.950%
2003				8.950%
2004				8.950%
2005				8.950%
2006	$14,845,000	15.08255017%	8.700%	8.950%
2007				9.000%
2008				9.000%
2009				9.000%
2010				9.000%
2011				9.000%
2012				9.000%
2013				9.000%
2014				9.000%
2015				9.000%
2016				9.000%
2017	$74,185,000	75.37211074%	9.000%	9.000%
TOTAL	$98,425,000	100.00000000%		

APA POWER REVENUE BONDS
MARCH 30, 1987

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$800,000	0.89067023%	5.400%	7.087%
1994	$880,000	0.97973725%	5.600%	7.092%
1995	$975,000	1.08550434%	5.800%	7.097%
1996	$1,080,000	1.20240481%	6.000%	7.112%
1997	$1,200,000	1.33600534%	6.100%	7.126%
1998	$1,330,000	1.48073926%	6.250%	7.140%
1999	$1,480,000	1.64773992%	6.400%	7.154%
2000	$1,650,000	1.83700735%	6.500%	7.169%
2001				7.182%
2002				7.182%
2003				7.182%
2004				7.182%
2005				7.182%
2006	$14,845,000	16.52749944%	7.100%	7.182%
2007				7.200%
2008				7.200%
2009				7. 00%
2010				7.200%
2011				7.200%
2012				7.200%
2013				7.200%
2014				7.200%
2015				7.200%
2016				7.200%
2017	$65,580,000	73.01269205%	7.200%	7.200%
TOTAL	$89,820,000	100.00000000%		

APA POWER REVENUE BONDS
MAY 14, 1993

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993				
1994	$1,115,000	1.36961061%	2.800%	5.120%
1995	$1,140,000	1.40173000%	3.400%	5.153%
1996	$1,280,000	1.57228842%	3.700%	5.170%
1997	$1,380,000	1.69512349%	4.100%	5.203%
1998	$1,490,000	1.83030374%	4.300%	5.223%
1999	$1,625,000	1.99606928%	4.500%	5.242%
2000	$1,775,000	2.18032183%	4.700%	5.258%
2001	$1,875,000	2.30209963%	4.800%	5.272%
2002	$2,115,000	2.59796094%	4.900%	5.285%
2003	$2,320,000	2.84977270%	5.000%	5.297%
2004	$2,545,000	3.12615150%	5.100%	5.306%
2005	$2,790,000	3.42709741%	5.200%	5.316%
2006	$3,070,000	3.77103550%	5.300%	5.322%
2007	$3,385,000	4.15790505%	5.400%	5.323%
2008	$3,745,000	4.60017197%	5.400%	5.316%
2009				5.312%
2010				5.312%
2011				5.312%
2012				5.312%
2013	$24,455,000	30.03930721%	5.375%	5.312%
2014				5.250%
2015				5.250%
2016				5.250%
2017	$25,185,000	30.93600295%	5.250%	5.250%
TOTAL	$81,410,000	100.00000000%		

APPENDIX
CALCULA

BASE ANNUAL INTEREST RATE FORECAST FOR [illegible] CONTRACTORS

COLORADO RIVER COMMISSION OF NEVADA
DEBT ISSUES

CRC INTERIM DEBENTURE
NOVEMBER 22, 1985

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989	$46 965 000	100 00000000%	6 875%	6 8750%
1990				
1991				
1992				
1993				
1994				
1995				
1996				
1997				
1998				
1999				
2000				
2001				
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
TOTAL	$46 965 000	100 00000000%		6 8750%

CRC GENERAL OBLIGATION BONDS
MAY 5, 1987

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989				
1990				
1991				
1992				
1993	$1 195 000	1 50314465%	10 750%	0 1616%
1994	$1 270 000	1 59748428%	10 750%	0 1717%
1995	$1 345 000	1 69182390%	10 750%	0 1819%
1996	$1 435 000	1 80503145%	7 875%	0 1421%
1997	$1 530 000	1 92452830%	7 000%	0 1347%
1998	$1 640 000	2 06289308%	7 200%	0 1485%
1999	$1 755 000	2 20754717%	7 300%	0 1612%
2000	$1 885 000	2 37106918%	7 500%	0 1778%
2001	$2 020 000	2 54088050%	7 600%	0 1931%
2002	$2 170 000	2 72955975%	7 700%	0 2102%
2003	$2 335 000	2 93710692%	7 800%	0 2291%
2004	$2 515 000	3 16352201%	7 800%	0 2468%
2005	$2 710 000	3 40880503%	7 900%	0 2693%
2006	$2 925 000	3 67924528%	7 900%	0 2907%
2007	$3 160 000	3 97484277%	8 000%	0 3180%
2008	$3 410 000	4 28930818%	8 000%	0 3431%
2009	$3 685 000	4 63522013%	8 000%	0 3708%
2010	$3 980 000	5 00628931%	8 000%	0 4005%
2011	$4 300 000	5 40880503%	8 000%	0 4327%
2012	$4 650 000	5 84905660%	8 000%	0 4679%
2013	$5 030 000	6 32704403%	8 000%	0 5062%
2014	$5 435 000	6 83647799%	8 000%	0 5469%
2015	$5 880 000	7 39622642%	8 000%	0 5917%
2016	$6 380 000	[illegible]	8 000%	0 6400%
2017	$6 880 000	8 65408805%	8 000%	0 5102%
TOTAL	$78 500 000	100 00000000%		7 8550%

CRC GENERAL OBLIGATION BONDS
MARCH 25, 1992

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989				
1990				
1991				
1992				
1993	$445 000	0 61540506%	6 000%	0 0369%
1994	$290 000	0 40105103%	6 000%	0 0241%
1995	$310 000	0 42870072%	6 000%	0 0257%
1996	$330 000	0 45636041%	6 000%	0 0274%
1997	$350 000	0 48402711%	6 000%	0 0290%
1998	$370 000	0 51168580%	6 000%	0 0307%
1999	$2 030 000	2 80735721%	6 000%	0 1684%
2000	$2 150 000	2 97330936%	6 000%	0 1784%
2001	$2 280 000	3 15309086%	6 000%	0 1892%
2002	$2 410 000	3 33287236%	6 000%	0 2000%
2003	$2 550 000	3 52648320%	6 100%	0 2151%
2004	$2 705 000	3 74083806%	6 250%	0 2338%
2005	$2 870 000	3 96902227%	6 375%	0 2530%
2006	$3 055 000	4 22486516%	6 400%	0 2704%
2007	$3 250 000	4 49453741%	6 500%	0 2921%
2008	$3 465 000	4 79186834%	6 500%	0 3115%
2009	$3 690 000	5 10302863%	6 500%	0 3317%
2010	$3 930 000	5 43493293%	6 500%	0 3533%
2011				
2012				
2013	$13 400 000	18 53132347%	6 500%	1 2045%
2014				
2015				
2016				
2017	$22 430 000	31 01922279%	6 600%	2 0473%
TOTAL	$72 310 000	100 00000000%		6 4226%

CRC INTERIM DEBENTURE
NOVEMBER 22, 1985

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989	$46 965 000	100 00000000%	6 875%	6 875%
1990				
1991				
1992				
1993				
1994				
1995				
1996				
1997				
1998				
1999				
2000				
2001				
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
TOTAL	$46 965 000	100 00000000%		6 8750%

CRC GENERAL OBLIGATION BONDS
MAY 5, 1987

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989				
1990				
1991				
1992				
1993	$1 195 000	1 50314465%	10 750%	7 050%
1994	$1 270 000	1 59748428%	10 750%	7 012%
1995	$1 345 000	1 69182390%	10 750%	7 763%
1996	$1 435 000	1 80503145%	7 875%	7 710%
1997	$1 530 000	1 92452830%	7 000%	7 707%
1998	$1 640 000	2 06289308%	7 200%	7 722%
1999	$1 755 000	2 20754717%	7 300%	7 734%
2000	$1 885 000	2 37106918%	7 500%	7 745%
2001	$2 020 000	2 54088050%	7 600%	7 752%
2002	$2 170 000	2 72955975%	7 700%	7 756%
2003	$2 335 000	2 93710692%	7 800%	7 758%
2004	$2 515 000	3 16352201%	7 800%	7 757%
2005	$2 710 000	3 40880503%	7 900%	7 755%
2006	$2 925 000	3 67924528%	7 900%	7 749%
2007	$3 160 000	3 97484277%	8 000%	7 739%
2008	$3 410 000	4 28930818%	8 000%	7 723%
2009	$3 685 000	4 635[illegible]13%	8 000%	7 703%
2010	$3 [illegible] 000	5 006[illegible]931%	8 000%	7 676%
2011	$4 300 000	5 408[illegible]03%	8 000%	7 643%
2012	$4 [illegible]	5 84905660%	8 000%	7 598%
2013	$5 030 000	6 32704403%	8 000%	7 535%
2014	$5 435 000	6 83647799%	8 000%	7 440%
2015	$5 880 000	7 39622642%	8 000%	7 280%
2016	$6 380 000	[illegible]	8 000%	6 901%
2017	$6 880 000	8 65408805%	8 000%	8 000%
TOTAL	$79 500 000	100 00000000%		

CRC GENERAL OBLIGATION BONDS
MARCH 25, 1992

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1989				
1990				
1991				
1992				
1993	$445 000	0 61540506%	6 000%	6 423%
1994	$290 000	0 40105103%	6 000%	6 425%
1995	$310 000	0 42870072%	6 000%	6 427%
1996	$330 000	0 45636041%	6 000%	6 429%
1997	$350 000	0 48402711%	6 000%	6 431%
1998	$370 000	0 51168580%	6 000%	6 433%
1999	$2 030 000	2 80735721%	6 000%	6 435%
2000	$2 150 000	2 97330936%	6 000%	6 440%
2001	$2 280 000	3 15309086%	6 000%	6 463%
2002	$2 410 000	3 33287236%	6 000%	6 479%
2003	$2 550 000	3 52648320%	6 100%	6 494%
2004	$2 705 000	3 74083806%	6 250%	6 515%
2005	$2 870 000	3 96902227%	6 375%	6 526%
2006	$3 055 000	4 22486516%	6 400%	6 536%
2007	$3 250 000	4 49453741%	6 500%	6 545%
2008	$3 465 000	4 79186834%	6 500%	6 546%
2009	$3 690 000	5 10302863%	6 500%	6 557%
2010	$3 930 000	5 43493293%	6 500%	6 556%
2011	$0	0 00000000%	6 000%	6 563%
2012	$0	0 00000000%	6 000%	6 561%
2013	$13 400 000	18 53132347%	6 500%	6 563%
2014	$0	0 00000000%	6 000%	6 600%
2015	$0	0 00000000%	6 000%	6 600%
2016	$0	0 00000000%	6 000%	6 600%
2017	$22 430 000	31 01922279%	6 600%	6 600%
TOTAL	$72 310 000	100 00000000%		

5/30/9[illegible]

CALCULATION OF AVERAGE ANNUAL INTEREST RATE FOR CASH FUNDED CONTRACTORS

SCPPA
DEBT ISSUE

SCPPA POWER REVENUE BONDS
JULY 30 1986

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1994	$490 000	1 42297081%	6 500%	0 0925%
1995	$525 000	1 52461159%	6 750%	0 1029%
1996	$560 000	1 62625236%	7 000%	0 1138%
1997	$595 000	1 72789313%	7 250%	0 1253%
1998	$645 000	1 87309424%	7 400%	0 1386%
1999	$685 000	1 98925512%	7 600%	0 1512%
2000	$745.000	2 16349644%	7 750%	0 1677%
2001	$795 000	2 30869755%	7 900%	0 1824%
2002	$865 000	2 51197909%	8 000%	0 2010%
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
2018	$28 530 000	82 85174967%	8 125%	6 7317%
TOTAL	$34 435 000	100 00000000%		8 0070%

SCPPA POWER REVENUE BONDS
AUGUST 28 1991

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$310.000	0 74519231%	5 400%	0 0402%
1994	$490.000	1 17788462%	6 500%	0 0766%
	$415.000	0 99759615%	5 000%	0 0499%
1995	$525.000	1 26201923%	6 750%	0 0852%
	$440.000	1 05769231%	5 300%	0 0561%
1996	$560 000	1 34615385%	7 000%	0 0942%
	$465.000	1 11778846%	5 500%	0 0615%
1997	$595.000	1 43028846%	7 250%	0 1037%
	$490.000	1 17788462%	5 700%	0 0671%
1998	$645.000	1 55048077%	7 400%	0 1147%
	$515 000	1.23798077%	5 900%	0 0730%
1999	$685 000	1 64663462%	7 600%	0 1251%
	$550 000	1 32211538%	6 000%	0 0793%
2000	$745.000	1 79086538%	7 750%	0 1388%
	$580.000	1 39423077%	6.000%	0 0837%
2001	$795.000	1 91105769%	7 900%	0 1510%
	$615.000	1 47836538%	6 100%	0 0902%
2002	$865.000	2 07932692%	8 000%	0 1663%
	$650 000	1 56250000%	6 200%	0 0969%
2003	$1,145.000	2.75240385%	6 300%	0 1734%
2004	$1,220.000	2.93269231%	6 400%	0 1877%
2005	$1,300.000	3 12500000%	6 500%	0 2031%
2006	$1,380 000	3 31730769%	6 625%	0 2198%
2007	$1 475.000	3 54567308%	6 625%	0 2349%
2008				
2009				
2010				
2011	$6 955.000	16 71875000%	6 850%	1 1452%
2012				
2013				
2014				
2015				
2016				
2017				
2018	$17,190.000	41 32211538%	6 000%	2 4793%
TOTAL	$41 600 000	100 00000000%		6 3970%

SCPPA POWER REVENUE BONDS
JULY 30 1986

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993				
1994	$490 000	1 42297081%	6 500%	8 007%
1995	$525 000	1 52461159%	6 750%	8 029%
1996	$560 000	1 62625236%	7 000%	8 049%
1997	$595 000	1 72789313%	7 250%	8 067%
1998	$645 000	1 87309424%	7 400%	8 082%
1999	$685 000	1 98925512%	7 600%	8 096%
2000	$745 000	2 16349644%	7 750%	8 107%
2001	$795 000	2 30869755%	7 900%	8 115%
2002	$865 000	2 51197909%	8 000%	8 121%
2003				8 125%
2004				8 125%
2005				8 125%
2006				8 125%
2007				8 125%
2008				8 125%
2009				8 125%
2010				8 125%
2011				8 125%
2012				8 125%
2013				8 125%
2014				8 125%
2015				8 125%
2016				8 125%
2017				8 125%
2018	$28 530 000	82 85174967%	8 125%	8 125%
TOTAL	$34 435 000	100 00000000%		

SCPPA POWER REVENUE BONDS
AUGUST 28 1991

FISCAL YEAR	ANNUAL MATURED AMOUNT	PERCENT OF TOTAL BOND ISSUE	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE
1993	$310 000	0 74519231%	5 400%	6 397%
1994	$490 000	1 17788462%	6 500%	6 404%
	$415 000	0 99759615%	5 000%	6 403%
1995	$525 000	1 26201923%	6 750%	6 418%
	$440 000	1 05769231%	5 300%	6 413%
1996	$560 000	1 34615385%	7 000%	6 426%
	$465 000	1 11778846%	5 500%	6 418%
1997	$595 000	1 43028846%	7 250%	6 429%
	$490 000	1 17788462%	5 700%	6 416%
1998	$645 000	1 55048077%	7 400%	6 425%
	$515 000	1 23798077%	5 900%	6 408%
1999	$685 000	1 64663462%	7 600%	6 415%
	$550 000	1 32211538%	6 000%	6 392%
2000	$745 000	1 79086538%	7 750%	6 398%
	$580 000	1 39423077%	6 000%	6 369%
2001	$795 000	1 91105769%	7 900%	6 375%
	$615 000	1 47836538%	6 100%	6 338%
2002	$865 000	2 07932692%	8 000%	6 343%
	$650 000	1 56250000%	6 200%	6.297%
2003	$1 145 000	2 75240385%	6 300%	6 299%
2004	$1 220 000	2 93269231%	6 400%	6 299%
2005	$1 300 000	3 12500000%	6 500%	6 295%
2006	$1,380 000	3 31730769%	6 625%	6 285%
2007	$1 475 000	3 54567308%	6 625%	6 287%
2008				6.245%
2009				6.245%
2010				6 245%
2011	$6 955 000	16 71875000%	6 850%	6 245%
2012				6 000%
2013				6.000%
2014				6 000%
2015				6 000%
2016				6 000%
2017				6 000%
2018	$17 190 000	41 32211538%	6 000%	6 000%
TOTAL	$41 600 000	100 00000000%		

AVERAGE ANNUAL INTEREST RATE FOR CASH FUNDED CONTRACTORS

CUMULATIVE DEBT ISSUED

DATE	APA	INTEREST RATE	CRC	INTEREST RATE	SCPPA	INTEREST RATE	WEIGHTED AVERAGE INTEREST RATE	TOTAL OUSTANDING ISSUANCE	ANNUAL MATURED AMOUNT APA	INTEREST	ANNUAL MATURED AMOUNT CRC	INTEREST	ANNUAL MATURED AMOUNT SCPPA	INTEREST
NOV/DEC 1985	$90 425 000	8 8100%	$40 985 000	6 8750%			8 1849%	$145 390 000						
JULY 1986	$90 425 000	8 8100%	$40 985 000	6 8750%	$34 435 000	8 0070%	8 1509%	$179 825 000						
MARCH 1987	$89 020 000	7 0873%	$40 985 000	6 8750%	$34 435 000	8 0070%	7 2038%	$171 220 000						
MAY 1987	$89 020 000	7 0873%	$70 500 000	7 8558%	$34 435 000	8 0070%	7 5338%	$203 755 000						
AUGUST 1991	$89 020 000	7 0873%	$70 500 000	7 8558%	$41 800 000	8 3970%	7 2323%	$210 820 000						
MARCH 1992	$89 020 000	7 0873%	$72 310 000	8 4226%	$41 800 000	8 3970%	8 7016%	$203 730 000						
OCTOBER 1992	$89 020 000	7 0873%	$71 005 000	8 4226%	$41 290 000	8 3970%	8 7027%	$202 875 000						
MAY 1993	$81 410 000	5 1204%	$71 005 000	8 4226%	$41 290 000	8 3970%	5 8723%	$194 565 000			$445 000	8 4226%	$310,000	8 3970%
FY 1994	$80 295 000	5 1204%	$71 575 000	8 4252%	$40 385 000	8 4033%	5 8756%	$192 255 000	$1 115 000	5 1204%	$290 000	8 4252%	$905,000	8 4033%
FY 1995	$79 105 000	5 1520%	$71,265 000	8 4269%	$39 420 000	8 4134%	5 8929%	$188,790 000	$1,190 000	5 1520%	$310 000	8 4269%	$865,000	8 4134%
FY 1996	$77 825 000	5 1789%	$70 035 000	8 4280%	$38 395 000	8 4175%	5 9087%	$187,155 000	$1 280 000	5 1789%	$330 000	8 4280%	$1,025 000	8 4175%
FY 1997	$76 445 000	5 2033%	$70 505 000	8 4307%	$37 310 000	8 4157%	5 9187%	$184 340 000	$1,380 000	5 2033%	$350 000	8 4307%	$1,085,000	8 4157%
FY 1998	$74 850 000	5 2232%	$70 215 000	8 4329%	$36 150 000	8 4080%	5 9279%	$181 315 000	$1,495 000	5 2232%	$370 000	8 4329%	$1,160 000	8 4080%
FY 1999	$73 325 000	5 2418%	$68 105 000	8 4352%	$34 915 000	8 3923%	5 9308%	$176 425 000	$1 625 000	5 2418%	$2 030 000	8 4352%	$1,235 000	8 3923%
FY 2000	$71 550 000	5 2580%	$66 035 000	8 4401%	$33 590 000	8 3890%	5 9352%	$171 175 000	$1,775 000	5 2580%	$2,150 000	8 4401%	$1,325,000	8 3890%
FY 2001	$69 810 000	5 2719%	$63 755 000	8 4827%	$32,180 000	8 3384%	5 9370%	$165,545 000	$1 840 000	5 2719%	$2 280 000	8 4827%	$1 410 000	8 3384%
FY 2002	$67 495 000	5 2850%	$61 345 000	8 4793%	$30 865 000	8 2972%	5 9389%	$159 505 000	$2,115,000	5 2850%	$2,410 000	8 4793%	$1,515,000	8 2972%
FY 2003	$65 175 000	5 2971%	$58 705 000	8 4981%	$28 570,000	8 2993%	5 9499%	$153 490 000	$2,320 000	5 2971%	$2 550 000	8 4981%	$1,145,000	8 2993%
FY 2004	$62 830 000	5 3077%	$58 090 000	8 5153%	$28 300 000	8 2993%	5 9593%	$147 020 000	$2 545 000	5 3077%	$2 705 000	8 5153%	$1,220,000	8 2993%
FY 2005	$59 840 000	5 3161%	$53 220 000	8 5281%	$27 000 000	8 2948%	5 9853%	$140 060 000	$2,790 000	5 3161%	$2 870 000	8 5281%	$1 300 000	8 2948%
FY 2006	$56 770 000	5 3215%	$50 165 000	8 5364%	$25 920 000	8 2850%	5 9875%	$132,555 000	$3,070 000	5 3215%	$3 055 000	8 5364%	$1 380 000	8 2850%
FY 2007	$53 385 000	5 3227%	$48 815 000	8 5447%	$24,145 000	8 2087%	5 9885%	$124 445,000	$3,305,000	5 3227%	$3 250 000	8 5447%	$1 475,000	8 2087%
FY 2008	$49 640 000	5 3178%	$43 450 000	8 5478%	$24 145 000	8 2448%	5 9848%	$117,235 000	$3,745,000	5 3178%	$3 485,000	8 5478%		8 2448%
FY 2009	$49 640 000	5 3118%	$39 780 000	8 5518%	$24 145 000	8 2448%	5 9443%	$113,545 000		5 3118%	$3 690 000	8 5518%		8 2448%
FY 2010	$49 640 000	5 3118%	$35 830 000	8 5584%	$24 145 000	8 2448%	5 9241%	$109 815 000		5 3118%	$3,830,000	8 5584%		8 2448%
FY 2011	$49 640 000	5 3118%	$35 830 000	8 5828%	$17 190 000	8 2448%	5 9045%	$102,660 000		5 3118%		8 5828%	$8 855,000	8 2448%
FY 2012	$49 640 000	5 3118%	$35 830 000	8 5828%	$17 190 000	0 0000%	5 9035%	$102 660 000		5 3118%		8 5828%		0 0000%
FY 2013	$25,185 000	5 3118%	$22 430 000	8 5828%	$17,190 000	0 0000%	5 9272%	$84 805 000	$24 455,000	5 3118%	$13,400,000	8 5828%		0 0000%
FY 2014	$25 185 000	5 2500%	$22 430 000	8 6000%	$17 190 000	0 0000%	5 9182%	$84 805 000		5 2500%		8 6000%		0 0000%
FY 2015	$25 185 000	5 2500%	$22 430 000	8 6000%	$17 190 000	0 0000%	5 9182%	$84 805 000		5 2500%		8 6000%		0 0000%
FY 2016	$25,185 000	5 2500%	$22 430,000	8 6000%	$17,190,000	0 0000%	5 9182%	$84,805 000		5 2500%		8 6000%		0 0000%

5/28/96

APPENDIX 7

CALCULATION OF INTEREST ON SUSPENDED CREDITS AND PREVIOUSLY PAID ADVANCE CREDITS

APPENDIX 7

CALCULATION OF INTEREST ON SUSPENDED CREDITS AND PREVIOUSLY PAID ADVANCE CREDITS

This appendix documents the calculation of interest on credit carryforwards which arise due to suspension of credits by the Government as described in paragraph III.C.3.b of the Procedures, referred to as "Suspended Credits", and interest on previously paid Advance Credits that occurred prior to October 1995. No interest is to be calculated on carryforwards that result from insufficient bills. This procedure will apply to Suspended Credits that occurred between June 1991 and February 1992, and to Suspended Credits that occur after the effective date of these Procedures.

INTEREST ON SUSPENDED CREDITS

The following describes Table 7.1 (Interest on Suspended Credits - Interest Calculation Detail).

Column 1: The **BILLING PERIOD** for each year by month.

Column 2: The **BEGINNING SUSPENDED CREDITS BALANCE** is equal to the Suspended Credits Balance After Interest (Column 11) at the end of the previous billing period.

Column 3: The **TOTAL CREDIT APPLIED IN EXCESS OF SCHEDULE** is the amount, if any, by which the Credit Amount Applied (Column 7 from Exhibit A of Appendix 8) exceeds the sum of the Monthly Credit Schedule (Column 3 from Exhibit A of Appendix 8), and the excess of the Net Carryforward Balance (Column 16 of Exhibit A of Appendix 8) from the prior billing period over the Suspended Credits Balance After Interest (Column 11) from the prior billing period.

Column 4: The **PURCHASE POWER, CASH & CONSTRUCTION FUND TRANSFERS** are equal to the sum of Purchased Power (Column 13 from Exhibit A of Appendix 8), the Transfer Of Construction Funds (Column 14 from Exhibit A of Appendix 8), and the Cash Payments (Column 15 from Exhibit A of Appendix 8) for the current billing period, if there is any Beginning Suspended Credits Balance (Column 2).

Column 5: The **AMOUNT AVAILABLE TO REDUCE SUSPENDED CREDITS BALANCE** is the sum of the Total Credit Applied In Excess Of Schedule

(Column 3) and the Purchase Power, Cash & Construction Fund Transfers (Column 4).

Column 6: The **REDUCTION IN SUSPENDED CREDITS BALANCE** is equal to the lesser of the Beginning Suspended Credits Balance (Column 2) or the Amount Available To Reduce Suspended Credits Balance (Column 5).

Column 7: The **SUSPENDED CREDITS BALANCE BEFORE CURRENT INTEREST**, in which interest is to be calculated, is equal to the Beginning Suspended Credits Balance (Column 2) less the Reduction In Suspended Credits Balance (Column 6).

Column 8: The **CURRENT PERIODIC INTEREST RATE** is pursuant to paragraph III.C.3.c of the Procedures compounded monthly.

Column 9: The **INTEREST ON SUSPENDED CREDITS** is equal to the product of the Suspended Credits Balance Before Current Interest (Column 7) and the Current Periodic Interest Rate (Column 8), rounded to the penny.

Column 10: The **CURRENT SUSPENDED CREDITS** is equal to the portion of the Credit Schedule for the current Billing Period which is carried forward due to suspension of credits by Reclamation (as indicated in Column 2 of Exhibit A of Appendix 8).

Column 11: The **SUSPENDED CREDITS BALANCE AFTER INTEREST**, at the end of the Billing Period, is equal to the sum of the Suspended Credits Balance Before Current Interest (Columns 7), the Interest On Suspended Credits (Column 9), and the Current Suspended Credits (Column 10).

INTEREST ON ADVANCE CREDITS

The following explains the columns in Table 7.2, Interest on Advance Credits - Interest Calculation Detail.

Column 1: The **BILLING PERIOD** for each year by month.

Column 2: The **CUMULATIVE ADVANCE CREDITS** is equal to the negative balance, if any, in the Net Carryforward Balance (Column 16 from Exhibit A of Appendix 8).

Column 3: The **CURRENT PERIODIC INTEREST RATE** pursuant to paragraph III.C.3.c of the Procedures compounded monthly.

Column 4: The **INTEREST ON ADVANCE CREDITS** is equal to the product of the Current Periodic Interest Rate (Column 3) and the Cumulative Advance Credits (Column 2), rounded to the penny.

APPENDIX 7 TABLE 7.1
<u>CALCULATION OF INTEREST ON SUSPENDED CREDITS</u> COMMENCING JUNE 1987

INTEREST ON SUSPENDED CREDITS
INTEREST CALCULATION DETAIL

Financing Entity ______________________________

	1	2	3	4	5	6	7	8	9	10	11
	BILLING PERIOD	BEGINNING SUSPENDED CREDITS BALANCE	TOTAL CREDIT APPLIED IN EXCESS OF SCHEDULE	PURCHASE POWER, CASH & CONST FUND TRANSFERS	AMOUNT AVAILABLE TO REDUCE SUSPENDED CREDITS BALANCE	REDUCTION IN SUSPENDED CREDITS BALANCE	SUSPENDED CREDITS BALANCE BEFORE CURRENT INT	CURRENT PERIODIC INTEREST RATE	INTEREST ON SUSPENDED CREDITS	CURRENT SUSPENDED CREDITS	SUSPENDED CREDITS BALANCE AFTER INT.
		Prev 11	▼	IF(2=0,0,SUM(Exh A13..15	4+3	MIN(5,2)	2-6		ROUND(7*8,2)	▼	7+9+10
			IF(2=0,0,IF((Exh A7-Exh A3)>=0,0,IF((Exh A7-Exh A3)<(Prev Exh A16-Prev 11),0,MAX((Exh A7-Exh A3)-(Prev Exh A16-Prev 11),0))))							IF(Exh A2=1,IF(Exh A5<0,0,MIN(Prev Exh A16+Exh A3,Exh A3)),0)	
Year	JUN	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	JUL	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	AUG	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
TOTAL FY "Year"			$0.00	$0.00	$0.00	$0.00			$0.00	$0.00	
	OCT	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	NOV	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	DEC	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
Year	JAN	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	FEB	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	MAR	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	APR	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	MAY	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	JUN	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	JUL	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	AUG	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	0.00%	$0.00	$0.00	$0.00
TOTAL FY "Year"			$0.00	$0.00	$0.00	$0.00			$0.00	$0.00	

Column 3 Calculation

If Column 2 equals Zero,
  Then Zero,
  Else If (Column 7 of Exhib A minus Column 3 of Exhibit A) is greater or equal to the Previous month's Column 16 minus Previous month's Column 11,
    Then Zero,
    Else the Maximum of either (Column 7 of Exhibit A minus Column 3 of Exhibit A) minus (Previous month's Column 16 of Exhibit A
      minus Previous month's Column 11) or Zero

Column 4 Calculation

If Column 2 equals Zero,
  Then Zero,
  Else the Sum of Columns 13 through 15 of Exhibit A

Column 10 Calculation

If Column 2 of Exhibit A equals 1,
  Then If Column 5 of Exhibit A is less than Zero,
    Then Zero,
    Else the Minimum of the Previous month's Column 16 of Exhibit A plus Column 3 of Exhibit A or column 3 of Exhibit A
  Else Zero

APPENDIX 7 - TABLE 7.2

CALCULATION OF INTEREST ON SUSPENDED CREDITS - COMMENCING JUNE 1987

INTEREST ON ADVANCE CREDITS
INTEREST CALCULATION DETAIL

Financing Entity: ________________

	1	2	3	4
	BILLING PERIOD	CUMULATIVE ADVANCE CREDITS	CURRENT PERIODIC INTEREST RATE	INTEREST ON ADVANCE CREDITS
		IF(Prev Exh A16<0,Prev Exh A16,0)		ROUND('2*3,2)
Year	JUN	$0.00	0.00%	$0.00
	JUL	$0.00	0.00%	$0.00
	AUG	$0.00	0.00%	$0.00
	SEP	$0.00	0.00%	$0.00
TOTAL FY "Year"				$0.00
	OCT	$0.00	0.00%	$0.00
	NOV	$0.00	0.00%	$0.00
	DEC	$0.00	0.00%	$0.00
Year	JAN	$0.00	0.00%	$0.00
	FEB	$0.00	0.00%	$0.00
	MAR	$0.00	0.00%	$0.00
	APR	$0.00	0.00%	$0.00
	MAY	$0.00	0.00%	$0.00
	JUN	$0.00	0.00%	$0.00
	JUL	$0.00	0.00%	$0.00
	AUG	$0.00	0.00%	$0.00
	SEP	$0.00	0.00%	$0.00
TOTAL FY "Year"				$0.00

Column 2 Calculation

If the Previous month's Column 16 of Exhibit A is less than Zero,
Then Previous month's Column 16 of Exhibit A,
Else Zero.

APPENDIX 8

UPRATING CREDIT CARRYFORWARD ACCOUNTING EXHIBIT A

APPENDIX 8

UPRATING CREDIT CARRYFORWARD ACCOUNTING
EXHIBIT A

The following is an explanation of the Uprating Credit Carryforward Accounting in Exhibit A which summarizes Western's administration of Section 6.5 of the Contract. References to the relevant sections of the Procedures are made for ease of reference.

Column 1: The **BILLING PERIOD** for each year by month.

Column 2: A true or false question asking if **CREDIT SUSPENDED BY RECLAMATION?** 1 equals "yes" and a blank equals "no"

Column 3: The **MONTHLY CREDIT SCHEDULE** provided by the Uprating Contractor pursuant to Section II.A.1.a. as shown on the Credit Schedule.

Column 4: The **CREDIT DIFFERENCE** reported as soon as practicable after the end of each fiscal year pursuant to Section II.B.

Column 5: The **CREDIT AMOUNT** is equal to the sum of the previous month's Net Carryforward Balance (Column 16), plus the current Monthly Credit Schedule (Column 3), plus the current month's Credit Difference (Column 4).

Column 6: The **POWER BILL BEFORE CREDIT** is the amount of the current month's power bill before application of the credit.

Column 7: The **CREDIT AMOUNT APPLIED** is the actual uprating credit applied.

Column 8: The actual **O&M PREPAYMENT APPLIED** is pursuant to Section 6.4 of the Contract.

Column 9: The **NET POWER BILL AFTER CREDITS** is equal to the current month's actual Power Bill Before Credit (Column 6), less the current month's actual Credit Amount Applied (Column 7), less the actual O&M Prepayment Applied (Column 8).

Column 10: The **CURRENT CARRYFORWARD ACCRUAL** is equal to the current Credit Amount (Column 5) less the current month's actual Credit Amount Applied (Column 7).

Column 11: The **INTEREST ON SUSPENDED CREDITS** (from Column 9 of the Interest On Suspended Credits as defined in Appendix 7, Table 7.1).

Column 12: The **INTEREST ON ADVANCE CREDITS** is the interest on previously paid advance credits (from Column 4 of the Interest On Advance Credits as defined in Appendix 7, Table 7.2).

Column 13: The **PURCHASED POWER** is the actual cost of any purchased power by Western on behalf of the Uprating Contractor.

Column 14: The **TRANSFER OF CONSTRUCTION FUNDS** is the amount of funds transferred from reserve accounts to pay any Current Carryforward Accrual (Column 10).

Column 15: **CASH PAYMENTS** is the amount of any cash payment made to offset a Current Carryforward Accrual (Column 10).

Column 16: The **NET CARRYFORWARD BALANCE** is the Current Carryforward Accrual (Column 10), plus Interest On Suspended Credits (Column 11), less Interest On Advance Credits (Column 12), less Purchased Power (Column 13), less Transfer Of Construction Funds (Column 14), less Cash Payments (Column 15).

APPENDIX 8 - ATTACHMENT
UPRATING CREDIT ACCOUNTING - COMMENCING JUNE 1987

UPRATING CREDIT CARRYFORWARD ACCOUNTING
EXHIBIT A

Financing Entity: ____________________

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
						POWER BILL				CREDIT CARRYFORWARD						
	BILLING PERIOD	CREDIT SUSPENDED BY RECT (1=Yes)	MONTHLY CREDIT SCHEDULE	CREDIT DIFFERENCE	CREDIT AMOUNT 3+4+PREV 10	POWER BILL BEFORE CREDIT ACTUAL	CREDIT AMOUNT APPLIED ACTUAL	O&M PREPAYMENT APPLIED ACTUAL	NET POWER BILL AFTER CREDITS 6-7-8	CURRENT CARRYFORWARD ACCRUAL 5-7	INTEREST ON SUSPENDED CREDITS 9 OF INT CAL	INTEREST ON ADVANCE CREDITS 4 OF INT CAL	PURCHASED POWER ACTUAL	TRANSFER OF CONSTRUCTION FUNDS ACTUAL	CASH PAYMENTS ACTUAL	NET CARRYFORWARD BALANCE 10+11 12 13-14-15
Year	JUN		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUL		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	AUG		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	SEP		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
TOTAL FY "Year"			$0 00			$0 00	$0 00	$0 00	$0 00		$0 00	$0 00	$0 00	$0 00	$0 00	
	OCT		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	NOV		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	DEC		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
Year	JAN		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	FEB		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	MAR		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	APR		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	MAY		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUN		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUL		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	AUG		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	SEP		$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
TOTAL FY "Year"			$0 00			$0 00	$0 00	$0 00	$0 00		$0 00	$0 00	$0 00	$0 00	$0 00	

RECONCILED ADVANCES TO RECLAMATION THROUGH JANUARY 31, 1996

APPENDIX 9

RECONCILED ADVANCES TO RECLAMATION
THROUGH JANUARY 31, 1996

FY	MONTH	DEBT FUNDED CONTRACTORS									CASH FUNDED CONTRACTORS		
				SCPPA									
		APA	CRC	Anaheim	Azusa	Banning	Burbank	Colton	Riverside	SCPPA TOTAL	GLENDALE	PASADENA	VERNON
PERCENT	SHARE	37.3758%	37.3758%	7.9523%	0.7952%	0.3976%	2.9821%	0.5964%	5.9642%		0.3976%	1.7893%	4.3737%
1986	APR	$299,006.00	$299,005.96	$63,618.29	$6,361.81	$0.00	$23,856.86	$4,771.37	$47,711.72	$146,322.07	$1,180.91	$28,628.00	$34,990.06
	MAY	$299,005.92	$448,508.94	$95,427.44	$9,542.74	$7,952.28	$35,785.29	$7,157.06	$71,570.58	$227,435.39	$1,180.91	$7,157.00	$34,990.06
	JUN	$149,502.98	$284,055.67	$60,437.38	$6,043.74	$1,021.87	$22,664.02	$4,532.80	$45,328.03	$142,027.84	$1,590.46	$13,598.00	$17,495.03
	JUL	$284,055.67	$213,041.75	$45,328.03	$4,532.80	$2,266.40	$16,998.01	$3,399.60	$33,996.07	$106,520.86	$1,021.87	$10,198.01	$33,240.56
	AUG	$213,041.75	$213,041.75	$45,328.03	$4,532.80	$2,266.40	$16,998.01	$3,399.60	$33,996.07	$106,520.86	$2,266.40	$10,198.01	$24,930.42
	SEP	$213,041.75	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2,266.40	$0.00	$24,930.42
TOTAL FY 1986		$1,457,654.07	$1,457,654.07	$310,139.17	$31,013.91	$15,506.95	$116,302.19	$23,260.41	$232,604.37	$728,827.02	$15,506.95	$69,780.62	$170,576.55
	OCT	$0.00	($0.07)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	NOV	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	DEC	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1987	JAN	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$8,889.00	$0.00	$0.00
	FEB	$0.00	$2,387,307.00	$507,938.00	$50,791.00	$25,397.00	$190,477.00	$38,095.00	$380,951.00	$1,193,649.00	$8,254.00	$236,188.00	$188,568.00
	MAR	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$8,254.00	$0.00	$90,792.00
	APR	$1,500,000.00	$602,757.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	MAY	$1,938,574.00	$448,510.00	$223,674.00	$22,367.00	$11,182.00	$83,876.00	$16,774.00	$167,755.00	$525,628.00	$6,411.00	$0.00	$70,538.00
	JUN	$0.00	$1,495,032.00	$318,092.00	$31,808.00	$15,904.00	$119,284.00	$23,856.00	$238,568.00	$747,512.00	$4,771.00	$0.00	$52,484.00
	JUL	$1,495,032.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$15,904.00	$0.00	$174,948.00
	AUG	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL FY 1987		$4,933,606.00	$4,933,605.93	$1,049,704.00	$104,966.00	$52,483.00	$393,637.00	$78,725.00	$787,274.00	$2,466,789.00	$52,483.00	$236,188.00	$577,330.00
	OCT	$2,691,058.00	$1,345,529.00	$286,283.00	$28,627.00	$14,314.00	$107,356.00	$21,470.00	$214,711.00	$672,761.00	$14,314.00	$64,415.00	$157,453.00
	NOV	$0.00	$1,345,529.00	$286,283.00	$28,627.00	$14,314.00	$107,356.00	$21,470.00	$214,711.00	$672,761.00	$14,314.00	$64,415.00	$157,453.00
	DEC	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1988	JAN	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	FEB	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,463.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	MAR	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,463.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	APR	$897,019.00	$897,019.00	$190,855.00	$19,085.00	$9,542.00	$71,570.00	$14,314.00	$143,141.00	$448,507.00	$9,542.00	$42,943.00	$104,969.00
	MAY	$784,892.00	$784,892.00	$166,998.00	$16,699.00	$8,350.00	$62,624.00	$12,524.00	$125,248.00	$392,443.00	$8,350.00	$37,575.00	$91,848.00
	JUN	$784,892.00	$784,892.00	$166,998.00	$16,699.00	$8,350.00	$62,625.00	$12,524.00	$125,248.00	$392,444.00	$8,350.00	$37,575.00	$91,848.00
	JUL	$822,268.00	$822,268.00	$174,951.00	$17,494.00	$8,747.00	$65,607.00	$13,121.00	$131,212.00	$411,132.00	$8,747.00	$39,365.00	$96,221.00
	AUG	$822,268.00	$822,268.00	$174,951.00	$17,494.00	$8,747.00	$65,606.00	$13,121.00	$131,212.00	$411,131.00	$8,747.00	$39,365.00	$96,221.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL FY 1988		$9,044,945.00	$9,044,945.00	$1,924,457.00	$192,437.00	$96,220.00	$721,670.00	$144,328.00	$1,443,335.00	$4,522,447.00	$96,220.00	$433,011.00	$1,058,435.00
	OCT	$1,719,288.00	$1,719,287.00	$365,806.00	$36,579.00	$18,290.00	$137,177.00	$27,434.00	$274,353.00	$859,639.00	$18,290.00	$82,308.00	$201,190.00
	NOV	$1,083,898.00	$1,083,898.00	$230,617.00	$23,061.00	$11,530.00	$86,481.00	$17,296.00	$172,962.00	$541,947.00	$11,530.00	$51,890.00	$126,837.00
	DEC	$1,083,898.00	$1,083,898.00	$230,617.00	$23,061.00	$11,530.00	$86,481.00	$17,296.00	$172,962.00	$541,947.00	$11,530.00	$51,890.00	$126,837.00
1989	JAN	$1,794,038.00	$897,019.00	$190,855.00	$19,085.00	$9,542.00	$71,570.00	$14,314.00	$143,141.00	$448,507.00	$9,542.00	$42,943.00	$104,969.00
	FEB	$0.00	$897,019.00	$190,855.00	$19,085.00	$9,542.00	$71,570.00	$14,314.00	$143,141.00	$448,507.00	$9,542.00	$42,943.00	$104,969.00
	MAR	$859,643.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
	APR	$1,495,032.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	MAY	$710,140.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	JUN	$0.00	$710,140.00	$151,094.00	$15,109.00	$7,554.00	$56,660.00	$11,332.00	$113,320.00	$355,069.00	$7,554.00	$33,997.00	$83,100.00
	JUL	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	AUG	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL FY 1989		$8,745,937.00	$8,745,936.00	$1,860,839.00	$186,078.00	$93,037.00	$697,811.00	$139,559.00	$1,395,624.00	$4,372,948.00	$93,037.00	$418,697.00	$1,021,445.00

APP. 9

RECONCILED ADVANCES TO RECLAMATION THROUGH JANUARY 31, 1996

FY	MONTH	DEBT FUNDED CONTRACTORS									CASH FUNDED CONTRACTORS		
				SCPPA									
		APA	CRC	Anaheim	Azusa	Banning	Burbank	Colton	Riverside	SCPPA TOTAL	GLENDALE	PASADENA	VERNON
PERCENT	SHARE	37.3758%	37.3758%	7.9523%	0.7952%	0.3976%	2.9821%	0.5964%	5.9642%		0.3976%	1.7893%	4.3737%
	OCT	$448,510.00	$448,510.00	$95,428.00	$9,542.00	$4,771.00	$35,785.00	$7,157.00	$71,570.00	$224,253.00	$4,771.00	$21,472.00	$52,484.00
	NOV	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	DEC	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
1990	JAN	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	FEB	$934,395.00	$934,395.00	$198,808.00	$19,880.00	$9,940.00	$74,551.00	$14,910.00	$149,105.00	$467,196.00	$9,940.00	$44,733.00	$109,343.00
	MAR	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,463.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	APR	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,463.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	MAY	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	JUN	$411,134.00	$411,134.00	$87,475.00	$8,747.00	$4,374.00	$32,803.00	$6,560.00	$65,606.00	$205,565.00	$4,374.00	$19,682.00	$48,111.00
	JUL	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,463.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	AUG	$1,121,274.00	$1,121,274.00	$238,569.00	$23,856.00	$11,928.00	$89,461.00	$17,892.00	$178,926.00	$560,634.00	$11,928.00	$53,679.00	$131,211.00
	SEP	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL FY 1990		$8,521,683.00	$8,521,683.00	$1,813,125.00	$181,305.00	$90,653.00	$679,919.00	$135,979.00	$1,359,837.00	$4,260,818.00	$90,653.00	$407,561.00	$997,204.00
	OCT	$672,764.00	$672,764.00	$143,141.00	$14,314.00	$7,157.00	$53,678.00	$10,735.00	$107,356.00	$336,381.00	$7,157.00	$32,207.00	$78,727.00
	NOV	$635,389.00	$635,389.00	$135,189.00	$13,518.00	$6,759.00	$50,696.00	$10,139.00	$101,391.00	$317,692.00	$6,759.00	$30,418.00	$74,353.00
	DEC	$635,389.00	$635,389.00	$135,189.00	$13,518.00	$6,759.00	$50,696.00	$10,139.00	$101,391.00	$317,692.00	$6,759.00	$30,418.00	$74,353.00
1991	JAN	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	FEB	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	MAR	$710,140.00	$710,140.00	$151,094.00	$15,109.00	$7,554.00	$56,660.00	$11,332.00	$113,320.00	$355,069.00	$7,554.00	$33,997.00	$83,100.00
	APR	$859,643.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
	MAY	$1,719,286.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
	JUN	$0.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
	JUL	$1,270,777.00	$1,270,777.00	$270,378.00	$27,037.00	$13,518.00	$101,392.00	$20,278.00	$202,783.00	$635,386.00	$13,518.00	$60,836.00	$148,708.00
	AUG	$859,643.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
	SEP	$859,643.00	$859,643.00	$182,903.00	$18,290.00	$9,145.00	$68,588.00	$13,717.00	$137,177.00	$429,820.00	$9,145.00	$41,154.00	$100,595.00
TOTAL FY 1991		$9,717,706.00	$9,717,706.00	$2,067,598.00	$206,754.00	$103,376.00	$775,346.00	$155,064.00	$1,550,694.00	$4,858,832.00	$103,376.00	$465,218.00	$1,137,162.00
	OCT	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	NOV	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
	DEC	$747,516.00	$747,516.00	$159,046.00	$15,904.00	$7,952.00	$59,642.00	$11,928.00	$119,284.00	$373,756.00	$7,952.00	$35,786.00	$87,474.00
1992	JAN	$485,885.00	$485,885.00	$103,380.00	$10,338.00	$5,169.00	$38,767.00	$7,753.00	$77,535.00	$242,942.00	$5,169.00	$23,261.00	$56,858.00
	FEB	$485,885.00	$485,885.00	$103,380.00	$10,338.00	$5,169.00	$38,767.00	$7,753.00	$77,535.00	$242,942.00	$5,169.00	$23,261.00	$56,858.00
	MAR	$523,261.00	$523,261.00	$111,332.00	$11,133.00	$5,566.00	$41,749.00	$8,350.00	$83,500.00	$261,630.00	$5,568.00	$25,050.00	$61,232.00
	APR	$560,637.00	$560,637.00	$119,285.00	$11,928.00	$5,964.00	$44,732.00	$8,946.00	$89,463.00	$280,318.00	$5,964.00	$26,839.00	$65,605.00
	MAY	$672,764.00	$672,764.00	$143,141.00	$14,314.00	$7,157.00	$53,678.00	$10,735.00	$107,356.00	$336,381.00	$7,157.00	$32,207.00	$78,727.00
	JUN	$2,354,675.00	$2,354,675.00	$500,995.00	$50,098.00	$25,049.00	$187,872.00	$37,573.00	$375,745.00	$1,177,332.00	$25,049.00	$112,726.00	$275,543.00
	JUL	$485,885.00	$485,885.00	$103,380.00	$10,338.00	$5,169.00	$38,767.00	$7,753.00	$77,535.00	$242,942.00	$5,169.00	$23,261.00	$56,858.00
	AUG	$485,885.00	$485,885.00	$103,380.00	$10,338.00	$5,169.00	$38,767.00	$7,753.00	$77,535.00	$242,942.00	$5,169.00	$23,261.00	$56,858.00
	SEP	$523,261.00	$523,261.00	$111,332.00	$11,133.00	$5,566.00	$41,749.00	$8,350.00	$83,500.00	$261,630.00	$5,566.00	$25,050.00	$61,232.00
TOTAL FY 1992		$8,820,686.00	$8,820,686.00	$1,876,741.00	$187,670.00	$93,834.00	$703,774.00	$140,750.00	$1,407,556.00	$4,410,327.00	$93,834.00	$422,274.00	$1,032,153.00
	OCT	$261,631.00	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	NOV	$261,631.00	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	DEC	$224,255.00	$224,255.00	$47,714.00	$4,771.00	$2,386.00	$17,893.00	$3,578.00	$35,785.00	$112,127.00	$2,386.00	$10,736.00	$26,241.00
1993	JAN	$261,631.00	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	FEB	$261,631.00	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	MAR	$224,255.00	$224,255.00	$47,714.00	$4,771.00	$2,386.00	$17,893.00	$3,578.00	$35,785.00	$112,127.00	$2,386.00	$10,736.00	$26,241.00
	APR	[illegible]	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	MAY	$261,631.00	$261,631.00	$55,666.00	$5,566.00	$2,783.00	$20,875.00	$4,175.00	$41,749.00	$130,814.00	$2,783.00	$12,525.00	$30,616.00
	JUN	$224,255.00	$224,255.00	$47,714.00	$4,771.00	$2,386.00	$17,893.00	$3,578.00	$35,785.00	$112,127.00	$2,386.00	$10,736.00	$26,241.00
	JUL	$149,503.00	$149,503.00	$31,809.00	$3,181.00	$1,590.00	$11,928.00	$2,386.00	$23,857.00	$74,751.00	$1,590.00	$7,157.00	$17,496.00
	AUG	$149,503.00	$149,503.00	$31,809.00	$3,181.00	$1,590.00	$11,928.00	$2,386.00	$23,857.00	$74,751.00	$1,590.00	$7,157.00	$17,496.00
	SEP	$74,752.00	$74,752.00	$15,905.00	$1,590.00	$795.00	$5,964.00	$1,193.00	$11,928.00	$37,375.00	$795.00	$3,579.00	$8,747.00
TOTAL FY 1993		$2,616,309.00	$2,616,309.00	$556,661.00	$55,661.00	$27,831.00	$208,749.00	$41,748.00	$417,491.00	$1,308,142.00	$27,831.00	$125,251.[illegible]	[illegible]

RECONCILED ADVANCES TO RECLAMATION
THROUGH JANUARY 31, 1996

FY	MONTH	DEBT FUNDED CONTRACTORS		SCPPA							CASH FUNDED CONTRACTORS		
		APA	CRC	Anaheim	Azusa	Banning	Burbank	Colton	Riverside	SCPPA TOTAL	GLENDALE	PASADENA	VERNON
PERCENT SHARE		37 3758%	37 3758%	7 9523%	0 7952%	0 3976%	2 9821%	0 5964%	5 9642%		0 3976%	1 7893%	4 3737%
	OCT	$373 758 00	$373 758 00	$79 523 00	$7 952 00	$3 976 00	$29 821 00	$5 964 00	$59 642 00	$186 878 00	$6 362 00	$17 893 00	$43 737 00
	NOV	$224 255 00	$224 255 00	$47 714 00	$4 771 00	$2 386 00	$17 893 00	$3 578 00	$35 785 00	$112 127 00	$1 590 00	$10 736 00	$26 241 00
	DEC	$149 503 00	$149 503 00	$31 809 00	$3 181 00	$1 590 00	$11 928 00	$2 386 00	$23 857 00	$74 751 00	$2 783 00	$7 157 00	$17 496 00
1994	JAN	$261 631 00	$261 631 00	$55 666 00	$5 566 00	$2 783 00	$20 875 00	$4 175 00	$41 749 00	$130 814 00	$2 783 00	$12 525 00	$30 616 00
	FEB	$261 631 00	$261 631 00	$55 666 00	$5 566 00	$2 783 00	$20 875 00	$4 175 00	$41 749 00	$130 814 00	$0 00	$12 525 00	$30 616 00
	MAR	$224 255 00	$224 255 00	$47 714 00	$4 771 00	$2 386 00	$17 893 00	$3 578 00	$35 785 00	$112 127 00	$5 169 00	$10 736 00	$26 241 00
	APR	$261 631 00	$261 631 00	$55 666 00	$5 566 00	$2 783 00	$20 875 00	$4 175 00	$41 749 00	$130 814 00	$2 783 00	$12 525 00	$30 616 00
	MAY	$261 631 00	$261 631 00	$55 666 00	$5 566 00	$2 783 00	$20 875 00	$4 175 00	$41 749 00	$130 814 00	$2 386 00	$12 525 00	$30 616 00
	JUN	$224 255 00	$224 255 00	$47 714 00	$4 771 00	$2 386 00	$17 893 00	$3 578 00	$35 785 00	$112 127 00	$0 00	$10 736 00	$26 241 00
	JUL	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	AUG	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	SEP	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
TOTAL FY 1994		$2 242 550 00	$2 242 550 00	$477 138 00	$47 710 00	$23 856 00	$178 928 00	$35 784 00	$357 850 00	$1 121 266 00	$23 856 00	$107 358 00	$262 420 00
	OCT	$448 510 00	$448 510 00	$95 428 00	$9 542 00	$4 771 00	$35 785 00	$7 157 00	$71 570 00	$224 253 00	$4 771 00	$21 472 00	$52 484 00
	NOV	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	DEC	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$4 374 00	$0 00	$48 111 00
1995	JAN	$411 134 00	$411 134 00	$87 475 00	$8 747 00	$4 374 00	$32 803 00	$6 560 00	$65 606 00	$205 565 00	$0 00	$19 682 00	$0 00
	FEB	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	MAR	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$4 374 00	$0 00	$48 111 00
	APR	$411 134 00	$411 134 00	$87 475 00	$8 747 00	$4 374 00	$32 803 00	$6 560 00	$65 606 00	$205 565 00	$0 00	$19 682 00	$0 00
	MAY	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUN	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUL	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	AUG	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	SEP	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
TOTAL FY 1995		$1 270 778 00	$1 270 778 00	$270 378 00	$27 036 00	$13 519 00	$101 391 00	$20 277 00	$202 782 00	$635 383 00	$13 519 00	$60 836 00	$148,706 00
	OCT	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	NOV	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	DEC	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$1 590 00	$7,157 00	$17,495 00
1996	JAN	$149 503 00	$149 503 00	$31 809 00	$3 181 00	$1 590 00	$11 928 00	$2 386 00	$23 857 00	$74,751 00	$0 00	$0 00	$0 00
	FEB	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	MAR	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	APR	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	MAY	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUN	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	JUL	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	AUG	$0 00	$0 00	$0 08	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
	SEP	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00	$0 00
TOTAL FY 1996		$149,503 00	$149 503 00	$31 809 00	$3,181 00	$1 590 00	$11 928 00	$2 386 00	$23 857 00	$74 751 00	$1 590 00	$7 157 00	$17 495 00
TOTAL		$57,521,357 07	$57 521 356 00	$12 238 591 17	$1,223 811 91	$611 905 95	$4 589 455 19	$917 861 43	$9 178 904 37	$28 760 530 02	$611 905 95	$2 753 731 62	$6,731 122 55
TOTAL PROJECT ADVANCES			$153 900 003 21										

Resolution # 96-2

May 1996

Multi-Project Benefits and Cost Procedures

J. Murr[illegible]
G6100

MULTIPROJECT WRITTEN PROCEDURES

MAY 1996

Resolution # 96-2
of the
Engineering and Operating Committee

ADOPTION OF PROCEDURES FOR ADMINISTRATION OF SECTION 9 OF THE BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT

WHEREAS:

1. Section 9 of the Boulder Canyon Project (BCP) Implementation Agreement requires that Western shall provide to the Engineering and Operating Committee (E&OC) detailed procedures, supporting analyses and justification for: (i) determining multi-project benefits and costs, (ii) calculating the benefits and costs of integrated operation of the Project with other Phoenix Area Projects on the Colorado River, and (iii) allocating such benefits and costs.

2. The Multi-Project Benefits and Costs Committee, a subcommittee of the E&OC, has submitted its recommendation for the Procedures for the Administration of Section 9 of the BCP Implementation Agreement.

THE ENGINEERING AND OPERATING COMMITTEE THEREFORE RESOLVES THAT:

1. The Multi-Project Benefits and Costs Procedures as attached to this Resolution fulfill the obligation of Section 9 of the BCP Implementation Agreement for the items covered by the Procedures. These items are principal and interest costs of the Phoenix and Mead Service Centers and the SCADA system, and the benefits of power resource integration of the Federal Projects on the lower colorado river.

MULTIPROJECT COSTS PROCEDURES

PROCEDURES FOR MULTIPROJECT COSTS

Multiproject Costs (MPC) are the costs of those facilities which were paid for through the appropriation process by one Project, but provide benefits to other Projects.

Projects identified in the MPC allocation process:

AC Intertie Project
Boulder Canyon Project
Central Arizona Project
Colorado River Basin Salinity Control Project
Colorado River Front Work and Levee System
Colorado River Storage Power System
Parker-Davis Project

Facilities identified in the MPC allocation process that benefit other Projects:

Items 1. Phoenix Service Center and Mead Service Center.

Item 2. SCADA System.

Items 1. Phoenix Service Center and Mead Service Center:

The factor for distribution of costs for the Phoenix Service Center and the Mead Service Center was based on the methodology used for the Desert Southwest Regional Office's distribution of General Western Allocations (GWA). This distributes building costs in the same percentage as the direct hours charged against the Projects. The procedure for developing the distribution of General Western Allocations (GWA) is:

a) Determine direct labor hours (DLH) from the General Ledger 451 report (O&M) from the previous year. Insert them in the second column of table below.

b) Divide these hours by a productive staffhour figure that accounts for loss of productive staffhours time to account for sick leave, annual leave, training and other uses. The current figure for staffhours is 1,750. The 1,750 number was based on a 5-year average of previous actual data. The resultant figure is shown in the third column of the table below.

c) Determine the percentage figure of the total for each project in the fourth column of the table below. This percentage figure is then used to allocate the MPC to each project.

d) Current year data is provided in Appendix D.

Sample Showing FY 1994 Distribution for Service Centers MPCs

Project	Direct Labor Hours	# of FTE	Percentage
AC Intertie Project	14,996.00	8.57	7.02%
Boulder Canyon Project	23,772.80	13.58	11.12%
Central Arizona Project	14,269.70	8.15	6.67%
Colorado River Basin Salinity Control Project	958.40	0.55	0.45%
Colorado River Front Work and Levee System	945.00	0.54	0.44%
Colorado River Storage Project	14,144.00	8.08	6.62%
Parker-Davis Project	144,670.23	82.67	67.68%
Total	213,756.13	122.14	100.00%

__Item 2. SCADA:__

a) The factor for each Project is based on the total distribution of data point count requirements currently allocated and in service. The calculations are based on documented current point count utilization requirements for the SCADA as determined by Operations as of April 1994. The number of points will be reviewed annually.

b) The percentages for the point factor are calculated by dividing the number of the individual project points by the total number of points. The total SCADA point count used in the current analysis is included in Appendix C.

c) The following table displays an example of calculating the point factor percentage for each project based on the number of total points to each individual project points, based on current point allocations.

d) Current year data is provided in Appendix C

Distribution Showing FY 1994 SCADA costs in MPCs

Project	# of Points	Percentage
AC Intertie Project	1,441	16.50%
Boulder Canyon Project	733	8.39%
Central Arizona Project	479	5.48%
Colorado River Basin Salinity Control Project	50	.57%
Colorado River Front Work and Levee System	0	0%
Colorado River Storage Project	474	5.43%
Parker-Davis Project	5,558	63.63%
Total	8,735	100.00%

Elements of costs related to Items 1 and 2 are:

1. Historic and Future Investment Costs (both Additions and Replacements)
2. Interest Expense

Procedures for compiling the Multiproject Costs.

1. Identify Investments, include both Plant-In-Service and Construction Work-In-Progress (CWIP) for historic years and appropriate future years. The Investments in the current study were identified by a Desert Southwest Regional Office MPC Process Improvement Team and were documented in their final report.

   While reviewing the data under the Phoenix Service Center in Western's FY 1994 Results of Operations Plant-In-Service (Schedule 1), $7,351,068 is related to the old SCADA system. Western has determined that the old SCADA system should be fully funded by the Parker-Davis Project. Based on this information, Western proposed that the costs for the old SCADA system should not be included in the Multiproject Cost allocation process. All other costs booked to the SCADA system accounts are related to the new SCADA system and should be included in the multiproject cost allocation process.

   The SCADA costs from the Engineering & Construction Ten-Year Plan were evaluated further to determine which portion of the costs were Replacements and which portion of the costs were Additions. A tabulation and analysis was compiled by Operations and is included in Appendix C.

2. Gather the current year Plant In Service data from Western's Results Of Operations (ROOS), Schedule 1, General Ledger 10100/10610. The data for the current tables in Appendix A are marked on page 15 of GL 10100 and page 29 of GL 10610 of the Parker Davis ROOS for the Phoenix Service Center; page 2 of the Intertie ROOS for GL 10100 for the Mead Service Center; and page 4 of the Intertie ROOS for GL 10610 for the Mead Service Center. This data is then directly input into a spreadsheet which is shown in Appendix D titled "Multiproject Cost Allocations").

3. Gather the budgeted annual investment costs for the current year and the first five future years. This information for the Phoenix O&M Stage 02 and for the SCADA as shown in Appendix B, is obtained from the 1995 Final Engineering & Construction Ten- Year Plan, Section B, page A 1, items 6 and 7; and from GL 10710, Schedule 2, pages 9 and 10 in Appendix A. Add the Construction Work In Progress amounts from GL 10710 for all the work order totals shown on pages 9 and 10 plus the current year IDC to the Phoenix Service Center costs.

4. The SCADA costs in Appendix C are taken from the data from the paragraph above and allocated into Replacements and Additions.

5. Allocate the historical and future costs by the allocation factors.

6. The procedure for determining the interest rate is documented in the DOE Order RA 6120.2.11, Change 1, Dated October 1, 1983. A paraphrase of Paragraphs 11.a and b of the Order is that the interest rate used for computing interest during construction (IDC) and interest on the unpaid balance of the costs of Federal power facilities is the "yield rate" which is determined by the Secretary of the Treasury as of October 1 of the preceding fiscal year. The yield rate is the average yield during the preceding fiscal year on interest-bearing marketable securities of the United States, which, at the time of the computation, have terms of 15 years or more remaining to maturity. In the year construction costs are charged to a FERC plant accounts 301 and 350 or above, the Treasury interest rate for that year is the interest rate that is assigned to the life of the investment.

7. To determine service lives of investments, look up the unit of property in the current edition of the book entitled "Replacements Units Service Lives Factors" as jointly published by the U. S. Department of Energy, Western Area Power Administration, and the U.S. Department of the Interior, Bureau of Reclamation, dated May 1989.

8. Set up project-specific amortization tables for each facility. A sample amortization table is included in Appendix D with references to where the input data comes from. The amortization tables begin with Page 2 of the same spreadsheet titled "Multiproject Cost

Allocations". The amortization tables for each project consist of:

a) an amortized amount from steps (2), (3), and (4) above.

b) the Project allocated costs as determined in (5) above.

c) an interest rate

d) a Service Life.

9. The Rates Division will update the power repayment study for each Project so that the future revenue distribution will reflect the current percentages for the Multiproject Costs. For those Projects with annual appropriations or annual funds advancement, the recovery of costs will be handled annually by accounting adjustments to Operating Expenses as a separate "Rental/Lease" payment entry.

a) The Boulder Canyon Project rates are determined each year. The rate process allows the addition of MPC.

b) Parker-Davis Project, Pacific Northwest-Pacific Southwest Intertie Project and the Colorado River Storage Project have multi-year rate processes. The rate process will allow the addition of the MPC.

c) The Central Arizona Project Contracts will allow the addition of MPC.

d) Western and the Bureau of Reclamation have a "Master and Operating Agreement" which covers the operation and maintenance of joint use facilities as well as facilities transferred to Western. This agreement includes the Colorado River Basin Salinity Control Project and Colorado River Front Work and Levee System. The MPC is covered as associated funding requirements under these Projects.

10. The Rates Team Lead will initiate a memo to the Financial Manager for request of the appropriate accounting entries to each project accounts for the specific current year costs and specific current year offsets to the costs prior to September 15 of each fiscal year.

11. The timelines for updating Appendices and repayment tables are as follow:

Requests financial data (Rates Team Lead)	September
Updates Appendix A data (Rates)	January
Prepares final PRS (Rates)	December
Updates Service Center hour distribution table (Rates)	December
Updates SCADA points table (Appendix C) (Operations)	December
Updates Ten-Year Engineering Plan (Maintenance)	October
Updates Ammortization Tables (Rates) (Appendix D)	January
Distributes to E&OC	February

MULTIPROJECT BENEFITS PROCEDURES

BCP MULTI PROJECT BENEFITS

OVERVIEW

Purpose: Provide a written summary of the process for determining, calculating and allocating the multiproject benefits of exchange energy through resource integration of Western Area Lower Colorado (WALC) federal projects, inclusive of internal energy exchanges among the Boulder Canyon Project participants, and among the Parker-Davis Project participants.

Resource Integration Definition: The process of mutually agreeing to a statically scheduled firm monthly exchange of energy among individual participants of the Boulder Canyon Project and among the Parker-Davis Project customers is Resource Integration. All monthly energy exchanges must zero balance at the completion of each fiscal year. The energy exchanged is a firm commitment by all participants and is received within each contractors available contract capacity entitlement. Additional capacity to deliver or receive exchange energy is not a component of the integration process.

Resource Integration Criteria: The primary points of concern to Western, as the resource manager, when planning and implementing the integration process are Equity, Risk Management, Operational feasibility, and serving Customer requests consistent with sound business practice. A more focused description of the criteria elements follow:

> **EQUITY:** Each participant and project, within the requested compatible monthly energy exchange profiles, realizes an energy diversity benefit on a fiscal year basis similar in value to other participating contractors and projects. If a contractor's requested monthly exchange profile is not compatible with the integrated offerings of other participants, energy exchanges for the individual contractor will not be possible. The energy diversity benefits are valued by the individual participants. When requested Western will provide an estimate of benefit based on the spot market replacement of energy.

RISK: Western Area Lower Colorado (WALC), in agreeing to exchange firm blocks of monthly energy between federal projects, gauges and accepts a degree of uncertainty in resource and load availability which could cause detrimental operational effects throughout the fiscal year. Each contractor agrees to accept the possible detrimental effects that altered monthly energy target may have on their individual resource availability profiles.

OPERATIONAL FEASIBILITY: WALC, in conformance with all active contractual obligations, considers resource impacting elements such as planned unit outages, levels of monthly projected generation from Hoover, Parker and Davis planned capacity restrictions and Lower Colorado river release restrictions, in preparation of monthly energy exchanges used in the Resource Integration program.

CUSTOMER REQUESTS: Each contractor requests exchange energy to achieve improved load and resource matching and thus reduce the cost of operation. WALC attempts to provide the desired exchange energy within EQUITY, RISK and OPERATIONAL FEASIBILITY criteria. At times the individual customer monthly energy exchange requests cannot be met within all criteria or does not contain adequate diversity to permit energy exchanges. The customer making such an energy exchange request will be excluded from the Resource Integration program. The customer energy exchange requests are considered first among the contractors and then between the WALC federal projects. WALC responds to each requesting participant with their level of Resource Integration participation prior to June 1 of each calendar year.

Resource Integration Conflicting Requests: Circumstances in which Resource Integration participants request similar exchanges on certain months, that cannot both be served, will be individually considered when an adjustment in the particular month's exchange energy is made. Due to each customer's varying monthly requests a pro-rata reduction in exchanges between the individual customers is usually not operationally feasible and are reviewed individually.

The thorough review results in a monthly exchange profile reduced to coincide with other requests over the 12 months of the target fiscal year.

GUIDELINES:

These guidelines are used for determining the monthly exchange of energy for the Boulder Canyon Project and Parker-Davis Project follow.

PARKER-DAVIS PROJECT: The primary elements which derive the projected resources and loads used in developing the PDP project Resource Integration energy exchanges are as follows

a) Generation -
The monthly load profile is indexed according to the Bureau of Reclamation 2 year most probable water supply study and loss or interchanges received from other entities.

b) External -
The allocated load, using the baseline 1988 exhibits, as a reference is indexed to totalize monthly firm allocated load. This is also referred to as external load .

c) MWD Parker Dam Energy Entitlement -
Based on Parker monthly estimated releases, MWD receives 1/2 of the projected generation. These indexed values will act as additional firm Parker-Davis project load.

d) Internal -
Historical load profiles serve as the monthly WALC control area internal kWh value and act as the third component of Parker-Davis project load.

e) Surplus/Deficiency in Generation -
To compute Parker-Davis surplus or deficiency in generation and provide a parameter for monthly energy exchange the following computation serves as a guideline which may be adjusted as required.
Generation (a) - External Load (b) - MWD Load (c) - Internal Load - (d) = Parker-Davis Generation Surplus/Deficiency.

f) Parker-Davis Monthly exchange generation -
On a monthly basis the surplus or deficiency in generation is evaluated as to the maximum quantity available, but not necessarily to be exchanged between projects.

g) Proposed Parker-Davis monthly Exchanged energy -
The computation for Parker-Davis project monthly exchanged energy is developed from each individual customer's proposed exchange requests. Each customer's separate request is listed using the following formula for proposed exchanges: Firm Allocation - Proposed Customer Allocation = Parker-Davis proposed Exchange, indexed by month. If the individual requested monthly exchanges do not comply with the Resource Integration criteria, then an adjustment on the pertinent month(s) is performed.

h) Parker-Davis Capacity-
To assure ample capacity is available for total Parker-Davis load and reserve requirements, a computation including consideration of planned unit outages is performed.

i) PDP Customer notification
PDP customers interested in Resource Integration are formally notified by Western of the level of Integration possible for the subject fiscal year. PDP customers rejecting Western integration plan may notify WALC's Power Scheduling Office by fax with a formal follow up letter to the Area Manager.

BOULDER CANYON PROJECT:

a) Generation - The Hoover Master Schedule's preliminary monthly energy target pertaining to the subject fiscal year is the baseline resource reference for BCP resource integration planning purposes. A preliminary Master Schedule based on the latest BOR's 24 Month Most Probable Water Supply Study is distributed to the BCP contractors by December 15.

b) Individual exchange analysis -
Each customer's requested monthly exchange profile is provided to WALC by Jan. 15 and is subtracted from the preliminary Master Schedule to ascertain each customers energy exchange request. Individual Boulder Canyon participants energy exchange is assessed in two Stages. Stage 1 consists of 2 phases. Phase 1 conducted by WALC, is the total exchange

analysis among all interested BCP contractor's requesting exchange. Phase 2 is the "individual" exchange analysis performed between interested BCP participants desiring energy exchanges on a one on one basis. Stage 2 is the Project exchange between Parker-Davis and Boulder Canyon Project. Exchange energy between Projects must meet the same Equity criteria as for individual participants. Ample diversity must be evident between Projects to permit a zero balanced energy exchange condition for each fiscal year.

c) Project exchange analysis -
The totalized Boulder Canyon Project proposed monthly exchange quantity, in Stage 2, is used to compare maximum monthly quantities offered by the Parker-Davis project. This comparison of the projects exchange quantities is the occasion in which the Resource Integration criteria is applied to determine the level of monthly exchange by each project.

d) BCP Master Schedule Redraft - Following adjustment of the customers requested exchange to a practical level in Stage 2, a redraft of the Master Schedule, containing the proposed energy exchanges, is distributed to the customers. Following BCP customer acceptance of the proposed energy exchange a draft of the Master Schedule is generated and distributed to the BCP customers. A minimum two week customer comment period is provided before the Actual Master Schedule is created.

f) Actual Master Schedule - This document is created and distributed, in accordance with the contract, to all Boulder Canyon Contractors and includes Resource Integration energy exchange by June 1 of each year. Distribution of the Actual Master Schedule marks the completion of Resource Integration planning and is the date of formal acceptance by the Contractors.

SUMMARY OF ANNUAL RESOURCE INTEGRATION PROCESS AND REVIEW

The following is a narrative of the Resource Integration information presented at the June 9, 1995 Multiproject cost/benefit Meeting. It represents the annual process and review performed by the operations group.

HOOVER STG1 - VS - STG2 EXCHANGE: This graphical presentation compares multiproject cost/benefit levels of available and accepted energy exchanges in Stage 1 as compared with Stage 2.

HOOVER ENERGY INTERCHANGE ACCOUNTING (Stage 1 and Stage 2 Summed) Information shown here is a listing of the final energy exchanged between all BCP participants on a monthly basis. The process as described in the Guidelines Section of stage 1 (phase 1 and phase 2) coincides with the creation of these values. All monthly exchange data listed in this summary are a component of the Hoover Master Schedule for the coming fiscal year.

DEPICTION OF ENERGY EXCHANGE FOR THE FISCAL YEAR: The informatinon graphically and numerically shown here indicates the monthly exchange profile by project. The limitations to exchanges are described in the Overview and Guidelines Section. Complete and equitable exchanges that zero balance and that provide a degree of equity among the participants are shown here.

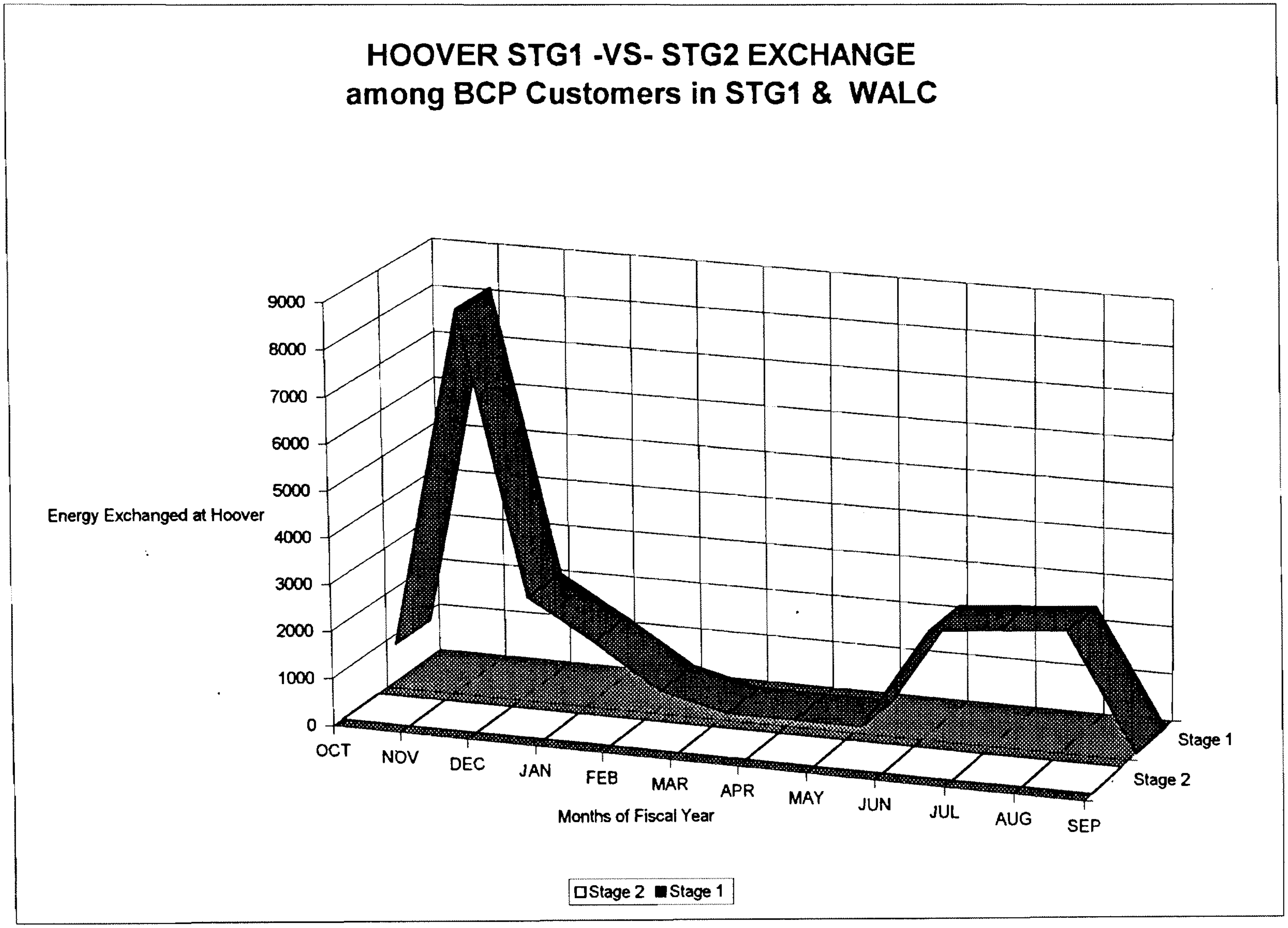
HOOVER STAGE 1&2 RESOURCE INTEGRATION EVALUATION & REVENUE COSTS: This sheet is an example of the type of analysis available when requested for reviewing the replacement cost of energy exchanged as part of Stage 1 and Stage 2. Zero integration which was planned for in Stage 2, results in all Hoover Exchange Benefit to reflect only that which has to occur in Accepted Stage 1 value.
The sheet's purpose is to estimate the value of benefit the BCP contractors receive directly from energy exchanges.
Each Contractor may choose to assess this exchange value differently and may have a differing benefit weighting process for assessing value than are used by Western.

REVENUE ANALYSIS of ENERGY EXCHANGES:
This sheet is an example of the type of analysis available, when requested for reviewing the stage 2 savings estimates. These are based on energy replacement and a weighted average of energy market prices over a period of time. Since there were no energy exchanges between BCP and PDP for the fiscal year there was a zero net loss and zero net gain between the two projects. The Parker-Davis Project exercised other exchange and purchase alternatives external to WALC projects.

PARKER-DAVIS CAPACITY FORECAST:
This summary has three sections (A, B & C) that reflect the forecasted Parker-Davis Capacity availability and surplus capacity above reserve requirements. The data indicates that PDP has the capacity available to meet it's spinning reserve obligations.

HOOVER CAPACITY BALANCE:
The Hoover Capacity Balance sheet numerically and graphically depicts the capacity support provided amongst Hoover and Parker Davis as part of WALC Control Area resources. The information shows the level of capacity transfers made in the FY94 fiscal year as a result of fungible resources being integrated into Control Area Operations. The outcome is indicative of current operating practices which result in loading units at the most efficient point possible in response to the varying capacity schedules requested on a "Real Time" basis at Hoover.

CONCLUSION The primary resource evaluation reference is the BOR 24 Month Study for PDP and BCP. The historical internal load estimates and contractual firm loads serve as load references for PDP Resource Integration analysis. A series of correspondences between Western and the Contractors in which Western provides the projected monthly generation estimates and receives energy exchange requests occurs between December 1st and January 15th each fiscal year. Following an analysis by Western a response indicating the level energy exchange possible is distributed to the Contractors. The Contractors reply to Western accepting or rejecting the exchange offered. Western then formally notifies the customers, by June 1, either through individual documents or through a Master Schedule of the finalized energy exchanges for the subject fiscal year. These guidelines may require modification to adjust to fluctuating hydro resource availability forecasts or changing conditions in evaluating individual project exchanges or in analyzing individual customer exchange requests.


HOOVER STG1 -VS- STG2 EXCHANGE
among BCP Customers in STG1 & WALC
Energy Exchanged at Hoover
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
Months of Fiscal Year
Stage 1
Stage 2
Stage 2 Stage 1

FY96

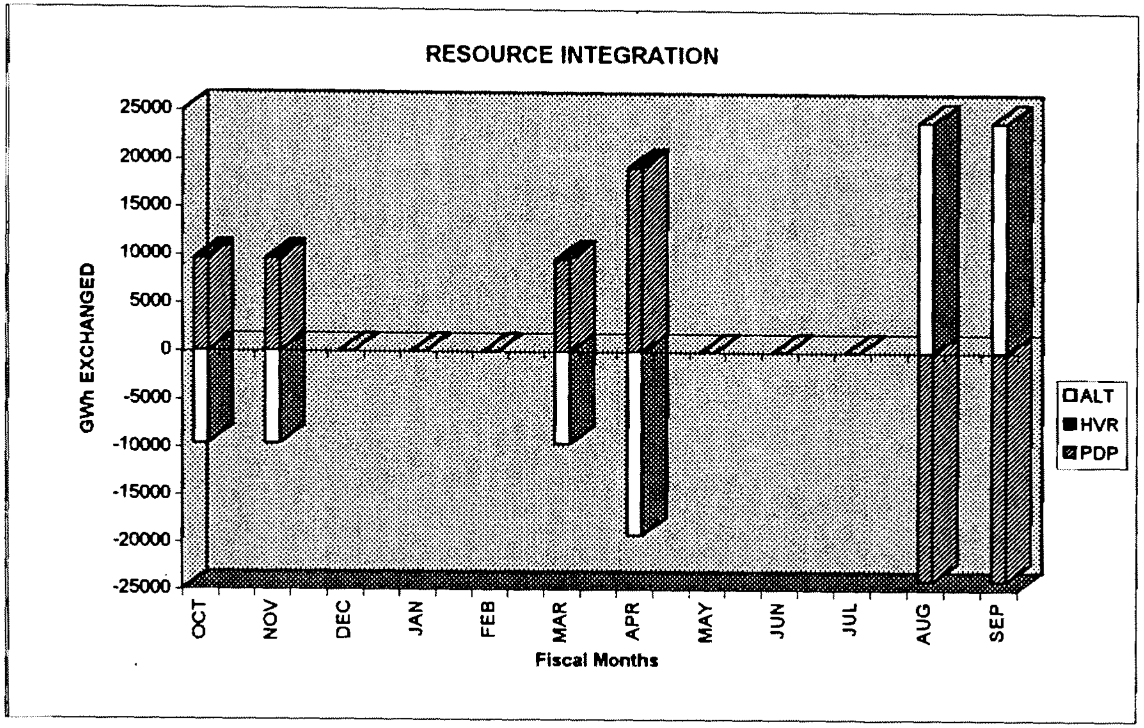
HOOVER ENERGY INTERCHANGE ACCOUNTING
STAGES 1 & 2 SUMMED (MWh)

Contractor		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
LADWP SCHED ENTITY														
	LADWP	700	-2664	2000	-709	125	0	0	0	175	175	198	0	0
	BURBANK	-100	-350	-250	-400	200	0	0	0	200	300	400	0	0
	GLENDALE	0	0	0	0	0	0	0	0	0	0	0	0	0
	PASADENA	0	0	0	0	0	0	0	0	0	0	0	0	0
	LADWP TOTAL	600	-3014	1750	-1109	325	0	0	0	375	475	598	0	0
SCE SCHED ENTITY														
	SCE	0	0	0	0	0	0	0	0	0	0	0	0	0
	MWD	-690	8154	-1830	1230	-84	0	0	0	-2042	-2308	-2430	0	0
	ANAHEIM	0	0	0	0	0	0	0	0	0	0	0	0	0
	AZUSA	0	0	0	0	0	0	0	0	0	0	0	0	0
	BANNING	0	0	0	0	0	0	0	0	0	0	0	0	0
	COLTON	0	0	0	0	0	0	0	0	0	0	0	0	0
	RIVERSIDE	20	20	20	20	18	0	0	0	-138	20	20	0	0
	SCE TOTAL	-670	8174	-1810	1250	-66	0	0	0	-2180	-2288	-2410	0	0
VERNON SCHED ENTITY														
	VERNON	70	-22	60	-141	-259	0	0	0	92	100	100	0	0
SRP SCHED ENTITY														
	APA TOTAL	0	-5138	0	0	0	0	0	0	1713	1713	1712	0	0
NPC SCHD ENTITY														
	CRC	0	0	0	0	0	0	0	0	0	0	0	0	0
	BOULDER CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
	NPC TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
	HOOVER TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

FY96

DEPICTION OF ENERGY EXCHANGE FOR THE FISCAL YEAR

	PDP	HVR	ALT
OCT	9600	0	-9600
NOV	9600	0	-9600
DEC	0	0	0
JAN	0	0	0
FEB	0	0	0
MAR	9600	0	-9600
APR	19200	0	-19200
MAY	0	0	0
JUN	0	0	0
JUL	0	0	0
AUG	-24000	0	24000
SEP	-24000	0	24000



Stage 2 FY96 ***HOOVER STAGE 1 & 2 RESOURCE INTEGRATION COST EVALUATION AND REVENUE COSTS***

		STG 1 REQUEST EXCH W/HVR	STG 1 REQUEST VALUE $/MWH	STG 1 Accepted EXCH W/HVR	STG 1 Accepted VALUE $/MWH	STG 2 REQUEST EXCH W/LCA	STG 2 REQUEST VALUE $/MWH	STG 2 Accepted EXCH W/LCA	STG 2 Accepted VALUE $/MWH	AVERAGE $$/MWH	TOTAL HOOVER EXCH BENEFIT
OCT	95	50699	$960,408.06	790	$14,965.23	49909	$945,442.82	0	$0.00	18.94	$14,965.23
NOV	95	-34814	($672,722.53)	8174	$157,948.93	-42988	($830,671.45)	0	$0.00	19.32	$157,948.93
DEC	95	-314	($6,353.27)	2080	$42,085.33	-2394	($48,438.60)	0	$0.00	20.23	$42,085.33
JAN	96	66786	$1,313,012.76	1250	$24,575.00	65536	$1,288,437.76	0	$0.00	19.66	$24,575.00
FEB	96	67778	$1,225,200.31	343	$6,200.30	67435	$1,219,000.02	0	$0.00	18.08	$6,200.30
MAR	96	-45008	($856,802.29)	0	$0.00	-45008	($856,802.29)	0	$0.00	19.04	$0.00
APR	96	-93442	($1,884,413.67)	0	$0.00	-93442	($1,884,413.67)	0	$0.00	20.17	$0.00
MAY	96	-76258	($1,415,094.29)	0	$0.00	-76258	($1,415,094.29)	0	$0.00	18.56	$0.00
JUN	96	4930	$111,270.10	2180	$49,202.60	2750	$62,067.50	0	$0.00	22.57	$49,202.60
JUL	96	2467	$56,782.12	2308	$53,122.47	159	$3,659.65	0	$0.00	23.02	$53,122.47
AUG	96	24659	$595,679.24	2430	$58,700.70	22229	$536,978.54	0	$0.00	24.16	$58,700.70
SEP	96	57687	$1,379,488.46	0	$0.00	57687	$1,379,488.46	0	$0.00	23.91	$0.00
TOTAL		25170	$806,455.01	19555	$406,800.56	5615	$399,654.45	0	$0.00		$406,800.56

EXPLANATION: All cost evaluations are based on historical average sale prices of spot market energy. The Column entitled "Total Hoover Exch Value" is the savings to BCP exchange participants. Total Hoover Exchange benefit is based on the premise that each participant is benefitting in the exchange process when recieving energy when needed. This energy exchange value has been multiplied by the monthly historical average to produce an estimate of value.

FY96

REVENUE ANALYSIS of ENERGY EXCHANGES

STAGE 2 ENERGY EXCHANGE ONLY

MONTH	MWh EXCH PDP *	$$$ VALUE PDP	MWh EXCH HVR	$$$ VALUE HVR	MWh EXCH Alt. Source	$$$ VALUE Alt. Source	ENERGY Exchange PRICE
OCT	9600	($181,856.00)	0	$0.00	-9600	$181,856.00	$18.94
NOV	9600	($185,504.00)	0	$0.00	-9600	$185,504.00	$19.32
DEC	0	$0.00	0	$0.00	0	$0.00	$20.23
JAN	0	$0.00	0	$0.00	0	$0.00	$19.66
FEB	0	$0.00	0	$0.00	0	$0.00	$18.08
MAR	9600	($182,752.00)	0	$0.00	-9600	$182,752.00	$19.04
APR	19200	($387,200.00)	0	$0.00	-19200	$387,200.00	$20.17
MAY	0	$0.00	0	$0.00	0	$0.00	$18.56
JUN	0	$0.00	0	$0.00	0	$0.00	$22.57
JUL	0	$0.00	0	$0.00	0	$0.00	$23.02
AUG	-24000	$579,760.00	0	$0.00	24000	($579,760.00)	$24.16
SEP	-24000	$573,920.00	0	$0.00	24000	($573,920.00)	$23.91
TOT	0	$216,368.00	0	$0.00	0	($216,368.00)	$20.64

The anticipated savings estimates above are based on energy replacement and spot sale pricing. The Parker-Davis Project project realized an approx. Net Loss of zero and a Net Gain of zero Revenue as there was no energy exchanges between BCP and PDP for the Fiscal Year.

*** The Parker-Davis Project and Boulder Canyon Project realized an avoided cost of $216,368.00, through monthly energy exchanges.**

The exchange energy price is based on a monthly composite spot energy index averaged over the last 3 years.
The polarity used in this Spreadsheet is: + = Surplus energy, – = Deficiency of energy.

FILENAME: I:\SCHEDULE\PRESCH\INTEG\EXCH\EXCHANGE.XLS

FY-96 PARKER-DAVIS CAPACITY FORECAST

AREA - A

A	B	C	D B x C	E	F	G E x F	H	I D + G + H	J	K	L	M	N J+K+L+M	O I - N
MONTH	DAVIS UNIT RATING	OUTAGE Reduction %	DAVIS Reserve Capacity	PARKER UNIT RATING	OUTAGE Reduction %	PARKER Reserve Capacity	HDG Reserve Capacity	TOTAL RESERVE Capacity	MWD Load Capacity	Allocated Firm Load Capacity	Spinning Reserve Obligation	WALC Internal Capacity	TOTAL Peak Load Capacity	Capacity Above Obligation
OCT	270	80%	216	108	75%	81	14	311	41	184	24	25	274	38
NOV	270	80%	216	108	75%	81	14	311	41	184	24	25	274	38
DEC	270	80%	216	108	75%	81	14	311	41	184	24	25	274	38
JAN	270	75%	203	108	75%	81	14	298	41	184	24	25	274	24
FEB	270	72%	194	108	100%	108	14	316	54	184	24	25	287	29
MAR	270	95%	257	108	100%	108	14	379	54	244	24	25	347	32
APR	270	100%	270	108	100%	108	14	392	54	244	24	35	357	35
MAY	270	100%	270	108	100%	108	14	392	54	244	24	40	362	30
JUN	270	100%	270	108	100%	108	14	392	54	244	24	40	362	30
JUL	270	100%	270	108	100%	108	14	392	54	244	24	45	367	25
AUG	270	100%	270	108	100%	108	14	392	54	244	24	45	367	25
SEP	270	100%	270	108	100%	108	14	392	54	244	24	45	367	25

AREA -B

Forecasted Spinning above Reserves
(PRIOR to reduction for Spinning Obligation)

A	B	C	D
MONTH	FY-96 FORECAST Available Capacity for LOAD	FY94 ACTUAL LOAD reported to IPP	Spinning Available Above Reserve Obligation
OCT	311	203	108
NOV	311	209	102
DEC	311	257	54
JAN	298	239	59
FEB	316	249	67
MAR	379	283	96
APR	392	292	100
MAY	392	266	126
JUN	392	293	99
JUL	392	279	113
AUG	392	314	78
SEP	392	348	44

AREA -C

Forecasted Spinning for FY96 using FY94 Actual Load
(AFTER reduction for Spinning Obligation)

E	F	G	H F - G	I	J H - I
MONTH	FY-96 FORECAST Available Capacity for LOAD	FY94 ACTUAL LOAD reported to IPP	Capacity Available BEFORE Reserve Obligation	Spinning Reserve Obligation	Capacity Available AFTER Reserve Obligation
OCT	311	203	108	24	84
NOV	311	209	102	24	78
DEC	311	257	54	24	30
JAN	298	239	59	24	35
FEB	316	249	67	24	43
MAR	379	283	96	24	72
APR	392	292	100	24	76
MAY	392	266	126	24	102
JUN	392	293	99	24	75
JUL	392	279	113	24	89
AUG	392	314	78	24	54
SEP	392	348	44	24	20

EXPLANATION:

AREA A - The Projected Parker-Davis (PDP) Generation Capacity less Projected Load and Spinning Reserve Obligation. This Area indicates PDP's ability to cover the WALC Spinning Reserve Obligation.

AREA B - The Projected PDP Generation Capacity (before spinning reserve reductions) less the Actual Peak Load for the prior fiscal year. This Area indicates that sufficient spinning capacity is available above using actual data. Negative values , if apparent, are covered through IPP purchases or interchanges. One must remember the numbers used for load are Peak values and are therefore the extreme in analyzing reserve capacity.

AREA C - The Projected PDP Generation Capacity less Actual Load and less the spinning obligation to indicate probable surplus PDP capacity.

SOURCES OF DATA FOR MULTIPROJECTS

Historical (Financial Statements) FY 1995 P-DP Results Of Operations		See Appendices A & B For Tracking Codes
Plant-In-Service, Schedule 1 GL 10100, Page 16	Phoenix Service Center	$ 4,792,162 2A.
Plant-In-Service, Schedule 1 GL 10610, Page 30	Phoenix Service Center	$ 28,601,223 2B.
Historical (Financial Statements) FY 1995 AC Intertie Results Of Operations		
Plant-In-Service, Schedule 1 GL 10100, Page 2	Mead Service Center	$ 3,195,089 2C.
Plant-In-Service, Schedule 1 GL 10610, Page 4	Mead Service Center	$ 0 2D.

Future Facilities Using Engineering & Construction Ten-Year Plan		
Construction Work-In-Progress, Schedule 2 GL 10710, Page 9 & 10	Phoenix O&M Center-Stg 2	$ 397,937 3A.
Construction Work-In-Progress, Schedule 2 GL 10720, Page 18 & 19	Phoenix Service Center	$ 222,731 3B.
1996 Engineering & Construction Ten-Year Plan	Phoenix O&M Center-Stg 2	$ 542,000 3C.
Interest During Construction		$ 522,000 3D.
1995 Engineering & Construction Ten-Year Plan	SCADA	$ 10,559,254 4A.
Interest During Construction		$ 5,264,223 4B.
Total		$ 15,823,477

WESTERN'S RESULTS OF OPERATIONS
(ROOS)

U.S. Department of
Western Area Power Administration
Results of Operation
Plant In Service Detail

GI Code 10100
As Of September 30, 1995

de and Desc: GG DESERT SOUTHWEST CSR — Power System Code and Desc: PD PARKER-DAVIS POWER SYSTEM

Code and Description / ct Description	Balance As Of 9/30/ 94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustments	Balance As Of 9/30/ 95
PARKER-GILA							
Interest During Construc	$2,824	$0	$986	$0	$0	$0	$3,810
Contributed Plant Credit	($6,947)	$0	$0	$0	$0	$0	($6,947)
Land & Land Rights	$12,116	$0	$0	$0	$0	$0	$12,116
Poles & Fixtures	$404,866	$0	$21,318	$0	$0	$0	$426,183
O/head Conductors & Dev	$399,061	$0	$0	$0	$0	$0	$399,061
- Total	$811,920	$0	$22,304	$0	$0	$0	$834,224
PARKER-GENE							
Towers & Fixtures	$90,368	$0	$0	$0	$0	$0	$90,368
O/head Conductors & Dev	$24,096	$0	$0	$0	$0	$0	$24,096
Roads & Road Structures	$2,016	$0	$0	$0	$0	$0	$2,016
- Total	$116,480	$0	$0	$0	$0	$0	$116,480
PARKER-PHOENIX NO. 2 (FU							
Contributed Plant Credit	($38,100)	$0	$0	$0	$0	$0	($38,100)
Land & Land Rights	$61,284	$0	$0	$0	$0	$0	$61,284
Towers & Fixtures	$20,569	$0	$0	$0	$0	$0	$20,569
Poles & Fixtures	$12,623	$0	$0	$0	$0	$0	$12,623
O/head Conductors & Dev	$561,175	$0	$0	$0	$0	$0	$561,175
Roads & Road Structures	$61	$0	$0	$0	$0	$0	$61
2 - Total	$617,612	$0	$0	$0	$0	$0	$617,612
PARKER-PLANET TAP							
Land & Land Rights	$1,356	$0	$0	$0	$0	$0	$1,356
Station Equipment	$1,336	$0	$0	$0	$0	$0	$1,336
Poles & Fixtures	$21,246	$0	$0	$0	$0	$0	$21,246
O/head Conductors & Dev	$22,259	$0	$0	$0	$0	$0	$22,259
Roads & Road Structures	$2,004	$0	$0	$0	$0	$0	$2,004
- Total	$48,201	$0	$0	$0	$0	$0	$48,201
PHOENIX SERV. CTR.							
Interest During Construc	$579,578	$43,128	$45,270	$0	$0	$0	$667,976
Contributed Plant Credit	($9,734)	$0	$0	$0	$0	$0	($9,734)
Land & Land Rights	$44,345	$0	$0	$0	$0	$0	$44,345
Struct & Improve-Bldgs	$1,949,855	$0	$125,499	$0	$0	$0	$2,075,354
Struct & Improve-Other	$1,298,918	$0	$0	$0	$0	$0	$1,298,918
Station Equipment	$307,307	$0	$160,940	$0	$0	$0	$468,247
Roads & Road Structures	$16,260	$0	$0	$0	$0	$0	$16,260

U.S. Department of Energy
Western Area Power Administration
Results of Operation
Plant in Service Detail

GI Code 10100
As Of September 30, 1995

Code and Desc: GG DESERT SOUTHWEST CSR **Power System Code and Desc:** *PD PARKER-DAVIS POWER SYSTEM*

ity Code and Description / Acct Description	Balance As Of 9/30/94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustments	Balance As Of 9/30/95
PHOENIX SERV. CTR.							
0 Communic Eq-SCADA	$5,409,689	$0	$0	$0	$0	$0	$5,409,689
0 Communic Eq-Microwave	$666,462	$43,725	$44,103	$0	$0	$0	$754,289
0 Communic Eq-Telephone	$438,407	$137,076	$0	$0	$0	$0	$575,483
0 Communic Eq-Load & Freq	$8,566	$0	$0	$0	$0	$0	$8,566
0 Communic Eq-Fixed Radio	$827,944	$0	$0	$0	$0	$0	$827,944
0 Misc Installed Equipment	$0	$5,895	$0	$0	$0	$0	$5,895
- Total	$11,537,898	$229,823	$376,811	$0	$0	$0	$\boxed{\$12,143,230}$
PHOENIX SUBSTATION	7,351,068						
0 Interest During Construc	$10,533	$0	$0	$0	$0	$0	$10,533
0 Contributed Plant Credit	($1,800)	$0	$0	$0	$0	$0	($1,800)
0 Land & Land Rights	$8,241	$0	$0	$0	$0	$0	$8,241
0 Struct & Improve-Bldgs	$171,130	$0	$0	$0	$0	$0	$171,130
0 Struct & Improve-Other	$585,667	$0	$0	$0	$0	$0	$585,667
0 Station Equipment	$3,251,396	$0	$0	$0	$0	$0	$3,251,396
0 Communic Eq-SCADA	$114,790	$0	$0	$0	$0	$0	$114,790
0 Communic Eq-Telephone	$14,683	$0	$0	$0	$0	$0	$14,683
0 Communic Eq-Carrier Curr	$16,528	$0	$0	$0	$0	$0	$16,528
- Total	$4,171,168	$0	$0	$0	$0	$0	$4,171,168
OL PHOENIX-COOLIDGE							
0 Interest During Construc	$4,213	$0	$0	$0	$0	$0	$4,213
0 Land & Land Rights	$29,256	$0	$0	$0	$0	$0	$29,256
0 Roads & Road Structures	$1,820	$0	$0	$0	$0	$0	$1,820
COL - Total	$35,289	$0	$0	$0	$0	$0	$35,289
IAR PHOENIX-MARICOPA							
0 Interest During Construc	$0	$0	$0	$0	$0	$0	$0
0 Contributed Plant Credit	($11,609)	$0	$0	$0	$0	$0	($11,609)
0 Land & Land Rights	$29,951	$0	$0	$0	$0	$0	$29,951
0 Towers & Fixtures	$7,433	$0	$0	$0	$0	$0	$7,433
0 Poles & Fixtures	$11,687	$0	$0	$0	$0	$0	$11,687
0 O/head Conductors & Dev	$60,836	$0	$0	$0	$0	$0	$60,836
0 Roads & Road Structures	$247	$0	$0	$0	$0	$0	$247
MAR - Total	$98,646	$0	$0	$0	$0	$0	$98,646
PRESCOTT SUBSTATION							
00 Interest During Construc	$109,580	$8,274	$0	$0	$0	$0	$117,854

12,143,230
− 7,351,068
$4,792,162
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U.S. Departm nergy
Western Area Power Administration
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Schedule
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Gl Code 10610
As Of September 30, 1995

a Code and Desc: GG DESERT SOUTHWEST CSR | *Power System Code and Desc: PD PARKER-DAVIS POWER SYSTEM*

cility Code and Description / it / ct	Acct Description	Balance As Of 9/30/94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustme	
	PARKER SWYD							
)18	A&GE thru FY86 (Inactv)	$809,760	$0	$0	$0	$0	($809,7	
100	Principal Contracts Summ	$296,785	$0	$0	$0	$0	($296,7	
400	Interest During Construc	$16,008	$0	$0	$0	$0	($16,0	
300	Station Equipment	$1,104,326	$0	$0	$0	$0	($1,104,3	
500	O/head Conductors & Dev	$2,203	$0	$0	$0	$0	($2,2	
'10	Communic Eq-SCADA	$69,954	$0	$0	$0	$0	($69,9	
'30	Communic Eq-Telephone	$1,106	$0	$0	$0	$0	($1,1	
)	- Total	$2,676,516	$0	$0	$0	$0	($2,675,516)	$0
3LA	PARKER-GILA							
'10	Construction Planning	$1,148	$0	$0	$0	$0	($66)	$1,082
11	Environmental Activities	$456	$0	$0	$0	$0	$0	$456
15	Procure & Contract Admin	$1,051	$0	$0	$0	$0	$0	$1,051
00	Interest During Construc	$4,664	$0	$0	$0	$0	($4,664)	$0
00	Contributed Plant Credit	($19,877)	$0	$0	$0	$0	$0	($19,877)
00	Land & Land Rights	$17,289	$0	$0	$0	$0	$0	$17,289
00	Poles & Fixtures	$21,318	$0	$0	$0	$0	($21,318)	$0
GLA	- Total	$26,048	$0	$0	$0	$0	($26,048)	$0
	PHOENIX SERV. CTR.							
10	Construction Planning	$604,434	$11,222	$11,222	$0	$0	($97,072)	$529,806
11	Environmental Activities	$8,280	$0	$0	$0	$0	$0	$8,280
12	Collection of Field Data	$160,098	$424	$424	$0	$0	($2,221)	$158,725
3	Design & Specifications	$2,761,619	$11,944	$501	$0	$0	($223,533)	$2,550,531
4	Construction Supervision	$2,512,460	$14,754	$1,059	$0	$0	($177,565)	$2,350,708
5	Procure & Contract Admin	$17,147	$2,093	$0	$0	$0	($921)	$18,319
8	A&GE thru FY86 (Inactv)	$10,825	$0	$0	$0	$0	($10,825)	$0
1	COMMISSIONING ACTIVITY	$8,962	$0	$0	$0	$0	$0	$8,962
0	Principal Contracts Summ	$12,962,291	$97,671	$0	$0	$0	($211,832)	$12,848,130
0	Interest During Construc	$6,069,755	($696)	$0	$0	$0	($360,106)	$5,708,953
0	Land & Land Rights	$11,538	$0	$0	$0	$0	$0	$11,538
0	Struct & Improve-Bldgs	$368,405	$0	$0	$0	$0	($8,289)	$360,116
0	Struct & Improve-Other	$32,984	$1,247	$0	$0	$0	($845)	$33,386
0	Station Equipment	$91,861	$0	$0	$0	$0	($8,917)	$82,944
0	Communic Eq-SCADA	$925,441	($24)	($24)	$0	$0	$0	$925,393
0	Communic Eq-Microwave	$290,291	$0	$0	$0	$0	($87,827)	$202,464
0	Communic Eq-Telephone	$1,603,323	$4,016	$88	$0	$0	($48)	$1,607,379

U.S. Department of Energy
Western Area Power Administration
Results of Operation
Plant in Service Detail

GI Code 10610
As Of September 30, 1996

e Code and Desc: *GG DESERT SOUTHWEST CSR* Power System Code and Desc: *PD PARKER-DAVIS POWER SYSTEM*

cility Code and Description nt ct Acct Description		Balance As Of 9/30/ 94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustments	Balance As Of 9/30/ 96
;	PHOENIX SERV. CTR.							
760	Communic Eq-Fixed Radio	$83,620	$0	$0	$0	$0	$0	$83,620
800	Misc Installed Equipment	$1,118,072	$0	$0	$0	$0	($6,104)	$1,111,968
S	- Total	$29,641,406	$142,881	$13,270	$0	$0	($1,196,106)	$28,601,223 2B.
(	PHOENIX SUBSTATION							
010	Construction Planning	$110,389	$0	$0	$0	$0	$0	$110,389
011	Environmental Activities	$2,243	$0	$0	$0	$0	$0	$2,243
012	Collection of Field Data	$135,753	$0	$0	$0	$0	$0	$135,753
013	Design & Specifications	$1,427,462	$0	$0	$0	$0	($839)	$1,426,623
014	Construction Supervision	$830,766	$4,951	$0	$0	$0	$0	$835,717
015	Procure & Contract Admin	$6,750	($56)	$0	$0	$0	($1,272)	$5,422
021	COMMISSIONING ACTIVITY	$48,434	$0	$0	$0	$0	$0	$48,434
100	Principal Contracts Summ	$5,172,174	$0	$0	$0	$0	$0	$5,172,174
400	Interest During Construc	$2,621,474	($2,392)	$0	$0	$0	$0	$2,619,082
900	Contributed Plant Credit	($2,468)	$0	$0	$0	$0	$2,468	$0
000	Land & Land Rights	$4,135	$0	$0	$0	$0	$0	$4,135
300	Station Equipment	$1,021,877	$0	$0	$0	$0	($356)	$1,021,521
710	Communic Eq-SCADA	$31,021	$0	$0	$0	$0	$0	$31,021
720	Communic Eq-Microwave	$529	$0	$0	$0	$0	$0	$529
800	Misc Installed Equipment	$178,055	$0	$0	$0	$0	$0	$178,055
X	- Total	$11,588,594	$2,503	$0	$0	$0	$0	$11,591,097
;	PRESCOTT SUBSTATION							
010	Construction Planning	$1,453	$0	$0	$0	$0	($1,453)	$0
012	Collection of Field Data	$2,164	$0	$0	$0	$0	($2,164)	$0
400	Interest During Construc	$16,053	$0	$0	$0	$0	($16,053)	$0
720	Communic Eq-Microwave	$68,662	$0	$0	$0	$0	($68,662)	$0
S	- Total	$88,333	$0	$0	$0	$0	($88,333)	$0
PPK	PRESCOTT-PINNACLE PEAK							
400	Interest During Construc	$1,840	$0	$0	$0	$0	($1,840)	$0
600	O/head Conductors & Dev	$16,508	$0	$0	$0	$0	($16,508)	$0
SPPK	- Total	$18,348	$0	$0	$0	$0	($18,348)	$0
	SMITH PEAK, PETE							
012	Collection of Field Data	$1,129	$0	$0	$0	$0	($1,129)	$0
400	Interest During Construc	$18,462	$0	$0	$0	$0	($18,462)	$0

U.S. Departmen ergy
Western Area Power Administration
Results of Operation
Plant In Service Detail

Schedule 1
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GI Code 10100
As Of September 30, 1995

Code and Desc: *GG DESERT SOUTHWEST CSR* | Power System Code and Desc: *IN INTERTIE POWER SYSTEM*

ility Code and Description Acct Description	Balance As Of 9/30/94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustments	Balance As Of 9/30/95
MEAD SUBSTATION (GGIN)							
60 Communic Eq-Fixed Radio	$0	$1,586	$0	$0	$0	$0	$1,586
00 Misc Installed Equipment	$0	$0	$0	$0	$0	$876,140	$876,140
) - Total	$19,674,720	$628,489	$824,261	$0	$0	$708,083	$21,735,644
LIB **MEAD-LIBERTY**							
00 Interest During Construc	$1,834,826	$0	$0	$0	$0	$0	$1,834,826
00 Land & Land Rights	$259,798	$0	$0	$0	$0	$0	$259,798
20 Struct & Improve-Other	$71,077	$0	$0	$0	$0	$0	$71,077
00 Towers & Fixtures	$7,521,396	$0	$0	$0	$0	$0	$7,521,396
00 O/head Conductors & Dev	$8,759,024	$0	$0	$0	$0	$0	$8,759,024
00 Roads & Road Structures	$3,835	$0	$0	$0	$0	$0	$3,835
LIB - Total	$18,449,956	$0	$0	$0	$0	$0	$18,449,956
MEAD SERVICE CENTER							
00 Interest During Construc	$39,185	$300,679	$559	$0	$0	$15,397	$355,820
00 Contributed Plant Credit	$0	$0	$0	$0	$0	($71,486)	($71,486)
10 Struct & Improve-Bldgs	$0	$2,221,529	$0	$0	$0	$0	$2,221,529
20 Struct & Improve-Other	$45,467	$200,638	$0	$0	$0	$0	$246,105
00 Misc Installed Equipment	$155,583	$508	$13,152	$0	$0	$273,879	$443,122
- Total	$240,235	$2,723,364	$13,711	$0	$0	$217,789	$3,195,099 2c
00 GL Total	$62,793,533	$3,361,843	$2,005,136	$0	$0	$925,872	$69,076,384

U.S. Departme[illegible]ergy
Western Area Power Administration
Results of Operation
Plant In Service Detail

GI Code 10610
As Of September 30, 1995

s Code and Desc: *GG DESERT SOUTHWEST CSR* Power System Code and Desc: *IN INTERTIE POWER SYSTEM*

ility Code and Description t t Acct Description	Balance As Of 9/30/94	Additions	Replacements	Non Fed Contrib	Retirements	Adjustments	Balance As Of 9/30/95
NWT MEAD-NORTHWEST							
11 Environmental Activities	$16,562	$0	$0	$0	$0	$0	$16,562
12 Collection of Field Data	$1,208	$0	$0	$0	$0	$0	$1,208
15 Procure & Contract Admin	$3,463	$0	$0	$0	$0	$0	$3,463
18 A&GE thru FY86 (Inactv)	$143,344	$0	$0	$0	$0	$0	$143,344
00 Principal Contracts Summ	$321,575	$0	$0	$0	$0	$0	$321,575
00 Interest During Construc	$370,947	$0	$0	$0	$0	$0	$370,947
00 Land & Land Rights	$3,234	$0	$0	$0	$0	$0	$3,234
NWT - Total	$944,730	$0	$0	$0	$0	$0	$944,730
MEAD SERVICE CENTER							
10 Construction Planning	$3,309	$0	$0	$0	$0	($3,309)	$0
12 Collection of Field Data	$21,650	$0	$0	$0	$0	($21,650)	$0
13 Design & Specifications	$243,293	$0	$0	$0	$0	($243,293)	$0
14 Construction Supervision	$361,857	$0	$0	$0	$0	($361,857)	$0
18 A&GE thru FY86 (Inactv)	$226,277	$0	$0	$0	$0	($226,277)	$0
00 Principal Contracts Summ	$1,582,710	$0	$0	$0	$0	($1,582,710)	$0
00 Interest During Construc	$699,744	$0	$0	$0	$0	($699,744)	$0
10 Struct & Improve-Bldgs	$5,282	$0	$0	$0	$0	($5,282)	$0
00 Misc Installed Equipment	$109,669	$0	$0	$0	$0	($109,669)	$0
- Total	$3,253,791	$0	$0	$0	$0	($3,253,791)	$0 2 D.
IN N/FGIN							
10 Construction Planning	$655	$0	$0	$0	$0	($655)	$0
12 Collection of Field Data	$3,381	$0	$0	$0	$0	($3,381)	$0
13 Design & Specifications	$30,434	$0	$0	$0	$0	($30,434)	$0
14 Construction Supervision	$174,012	$0	$0	$0	$0	($174,012)	$0
15 Procure & Contract Admin	$440	$0	$0	$0	$0	($440)	$0
00 Principal Contracts Summ	$529,085	$0	$0	$0	$0	($529,085)	$0
00 Interest During Construc	$83,499	$0	$0	$0	$0	($83,499)	$0
00 Contributed Plant Credit	($251,594)	$0	$0	$0	$0	$251,594	$0
00 Misc Installed Equipment	$19,080	$0	$0	$0	$0	($19,080)	$0
IN - Total	$588,992	$0	$0	$0	$0	($588,992)	$0
10 GL Total	$9,084,189	$149,383	$0	$0	$0	($7,361,629)	$1,881,943
N Project Total	$61,877,722	$3,601,226	$2,006,136	$0	$0	($6,426,757)	$60,958,327

U.S. Department of Energy
Western Area Power Administration
Results of Operations
Construction Work In Progress -
10710 CONSTRUCTION IN PROGRESS - C&R

Code and Desc: GG DESERT SOUTHWEST CSR

Power System: PD PARKER-DAVIS POWER SYSTEM

Ferc Acct	Ferc Account Description	Balance As Of 9/30/1994	Fiscal Year Activity	PY ADJ/ Transfers	Balance As Of 9/30/1995	
	PHOENIX SERV. CTR.					
0028C	REPLACE THE BOULDER CITY AREA					
014	Construction Supervision	$812,006	$8,141	$0	$820,147	
015	Procure & Contract Admin	$4,910	$0	$0	$4,910	
021	COMMISSIONING ACTIVITY	$1,445,996	$906,743	$4,281	$2,357,020	
400	Interest During Construc	$2,167,045	$0	$988,892	$3,155,937	
710	Communic Eq-SCADA	$5,657,234	$237,780	$156,245	$6,051,258	
800	Misc Installed Equipment	$15,771	$0	$0	$15,771	
0028C	Work order total	$10,428,528	$1,157,782	$1,149,418	$12,735,728	
0039C	RELOCATE/ADD FIRE SPRINKLERS,R					
012	Collection of Field Data	$1,781	$0	$0	$1,781	
013	Design & Specifications	$3,935	$0	$0	$3,935	
0039C	Work order total	$5,715	$0	$0	$5,715	*
0040C	FOR WIRING OF CRITICAL ALARMS					
012	Collection of Field Data	$14,192	$3,589	$0	$17,781	
0040C	Work order total	$14,192	$3,589	$0	$17,781	*
0041C	INSTALL STREET LIGHTS AT THE N					
012	Collection of Field Data	$5,944	$1,058	$0	$7,001	
013	Design & Specifications	$18,537	($3,207)	$0	$15,331	
014	Construction Supervision	$3,629	$1,390	$0	$5,019	
400	Interest During Construc	$0	$0	$2,028	$2,028	
210	Struct & Improve-Bldgs	$0	$493	$0	$493	
0041C	Work order total	$28,110	($266)	$2,028	$29,872	*
0042C	TO COVER THE COST TO INCREASE					
012	Collection of Field Data	$4,280	$128	$0	$4,409	
013	Design & Specifications	$11,234	$0	$0	$11,234	
0042C	Work order total	$15,514	$128	$0	$15,642	*
0043C	TO COVER THE COST TO HAVE THE					
012	Collection of Field Data	$1,524	$0	$0	$1,524	
013	Design & Specifications	$1,382	$0	$0	$1,382	
014	Construction Supervision	$1,604	$203	$0	$1,807	
100	Principal Contracts Summ	$1,276	$0	$0	$1,276	
400	Interest During Construc	$206	$0	$434	$640	
0043C	Work order total	$5,991	$203	$434	$6,629	*
0044C	INSTALL ADDITIONAL WIRING/BREA					
012	Collection of Field Data	$190	$0	$0	$190	
0044C	Work order total	$190	$0	$0	$190	*

* INCLUDED IN 3A.

U.S. Department of Energy
Western Area Power Administration
Results of Operations
Construction Work In Progress -
10710 CONSTRUCTION IN PROGRESS - C&R

a Code and Desc: GG DESERT SOUTHWEST CSR   Power System: PD PARKER-DAVIS POWER SYSTEM

Ferc Acct	Ferc Account Description	Balance As Of 9/30/1994	Fiscal Year Activity	PY ADJ/ Transfers	Balance As Of 9/30/1995	
;	PHOENIX SERV. CTR.					
IS 0045C	*INSTALL MICROWAVE TOWER GROUND*					
30012	Collection of Field Data	$6,308	($649)	$0	$5,660	
30014	Construction Supervision	$0	$5,856	$0	$5,856	
30100	Principal Contracts Summ	$0	$24,100	$0	$24,100	
30400	Interest During Construc	$254	$0	$1,569	$1,823	
39800	Misc Installed Equipment	$810	$0	$0	$810	
IS 0045C	*Work order total*	$7,372	$29,307	$1,569	$38,248	* [redacted]
IS 0046C	*CONSTRUCT A SMOKING ROOM IN TH*					
30012	Collection of Field Data	$1,019	$0	$0	$1,019	
30013	Design & Specifications	$11,499	$3,599	$0	$15,098	
30014	Construction Supervision	$0	$2,949	$0	$2,949	
30100	Principal Contracts Summ	$0	$20,225	$0	$20,225	
30400	Interest During Construc	$0	$0	$1,887	$1,887	
39800	Misc Installed Equipment	$0	$239	$0	$239	
IS 0046C	*Work order total*	$12,518	$27,013	$1,887	$41,418	*
IS 0048C	*CONSTRUCTION AND REPLACEMENT O*					
30400	Interest During Construc	$0	$0	$2,599	$2,599	
39720	Communic Eq-Microwave	$0	$71,685	$0	$71,685	
IS 0048C	*Work order total*	$0	$71,685	$2,599	$74,284	*
IS 0049C	*ADDITION-PHS STAGE 02A CONSTRU*					
30012	Collection of Field Data	$0	$25,085	$0	$25,085	
30013	Design & Specifications	$0	$91,079	$4,245	$95,324	
30014	Construction Supervision	$0	$36,077	$0	$36,077	
30400	Interest During Construc	$0	$0	$5,882	$5,882	
35210	Struct & Improve-Bldgs	$0	$5,789	$0	$5,789	
IS 0049C	*Work order total*	$0	$158,030	$10,127	$168,157	* TOTAL 39 -> 49 = 397,937
	Facility Total	$10,518,131	$1,577,671	$1,032,739	$13,128,541	
	PHOENIX SUBSTATION					
IX 0001C	*STAGE 03 PHOENIX SUBSTATION*					
30010	Construction Planning	$110,389	$0	$0	$110,389	
30011	Environmental Activities	$2,243	$0	$0	$2,243	
30012	Collection of Field Data	$135,753	$0	$0	$135,753	
30013	Design & Specifications	$1,426,623	$0	$0	$1,426,623	
30014	Construction Supervision	$830,766	$4,951	$0	$835,717	
30015	Procure & Contract Admin	$5,478	($56)	$0	$5,422	
30021	COMMISSIONING ACTIVITY	$48,434	$0	$0	$48,434	
30100	Principal Contracts Summ	$5,172,174	[illegible]	[illegible]	[illegible]	

(3A-)

Code and Desc: GG DESERT SOUTHWEST CSR Power System: PD PARKER-DAVIS POWER SYSTEM

Ferc Acct	Ferc Account Description	Balance As Of 9/30/1994	Fiscal Year Activity	PY ADJ/ Transfers	Balance As Of 9/30/1995
	PARKER SWYD				
) 0017B	*DIGITAL FAULT RECORDER*				
)400	Interest During Construc	$1,573	$0	$0	$1,573
;300	Station Equipment	$301,771	$20,837	$0	$322,608
) 0017B	*Work order total*	$305,552	$43,613	$0	$349,165
) 0022B	*PROCURE AND INSTALL 2 BREAKERS*				
)013	Design & Specifications	$40	$0	$0	$40
)014	Construction Supervision	$0	$486	$0	$486
400	Interest During Construc	$7,425	$0	$15,536	$22,961
300	Station Equipment	$208,353	$3,975	$0	$212,328
0022B	*Work order total*	$215,819	$4,461	$15,536	$235,816
0026B	*ADDITION OF SF6 GAS MONITORING*				
400	Interest During Construc	$0	$0	$179	$179
300	Station Equipment	$0	$4,929	$0	$4,929
0026B	*Work order total*	$0	$4,929	$179	$5,107
0027B	*ADDITION OF A SF6 230-KV BREAK*				
400	Interest During Construc	$0	$0	$1,597	$1,597
300	Station Equipment	$0	$42,200	$1,843	$44,043
0027B	*Work order total*	$0	$42,200	$3,439	$45,639
	Facility Total	$521,371	$95,203	$19,154	$635,728
LA	PARKER-GILA				
GLA 0009B	*YPG 10319--STUDY FEASIBILITY*				
899	C&R-Deficit Fixed Fee Adv	$16	$0	$0	$16
GLA 0009B	*Work order total*	$16	$0	$0	$16
LA	Facility Total	$16	$0	$0	$16
	PHOENIX SERV. CTR.				
0034B	*MICROWAVE INSTALLATION*				
)12	Collection of Field Data	$2,487	$742	$0	$3,209
400	Interest During Construc	$258	$0	$719	$976
720	Communic Eq-Microwave	$2,711	$8,554	$0	$11,265
0034B	*Work order total*	$5,436	$9,296	$719	$15,451 *
0047B	*INSTALL MICROWAVE ALARM SYSTEM*				
)12	Collection of Field Data	$3,111	$825	$0	$3,936
)13	Design & Specifications	$268	$10,800	$0	$11,067
400	Interest During Construc	$0	$0	$6,917	$6,917
720	Communic Eq-Microwave	$0	$172,428	$0	$172,428
0047B	*Work order total*	$3,379	$184,053	$6,917	$194,348 *

* INCLUDED IN 3B.

U.S. Department of Energy
Western Area Power Administration
Results of Operations
Construction Work in Progress -
10720 CONSTRUCTION IN PROGRESS - O&M

ea Code and Desc: GG DESERT SOUTHWEST CSR Power System: PD PARKER-DAVIS POWER SYSTEM

Ferc Acct	Ferc Account Description	Balance As Of 9/30/1994	Fiscal Year Activity	PY ADJ/ Transfers	Balance As Of 9/30/ 1995
IS	PHOENIX SERV. CTR.				
?HS 0051B	*REPLACEMENT OF AUXILIARY PWR S*				
30400	Interest During Construc	$0	$0	$452	$452
35300	Station Equipment	$0	$12,480	$0	$12,480
?HS 0051B	*Work order total*	$0	$12,480	$452	$12,932
IS	**Facility Total**	$8,815	$205,829	$8,088	$222,731 * Total (3B)
IX	PHOENIX SUBSTATION				
?HX 0009B	*ADDITION OF SF6 GAS MONITORING*				
30400	Interest During Construc	$0	$0	$152	$152
35300	Station Equipment	$0	$4,184	$0	$4,184
?HX 0009B	*Work order total*	$0	$4,184	$152	$4,336
IX	**Facility Total**	$0	$4,184	$152	$4,336
K D	PINNACLE PEAK SUB (GGPD)				
?PK D0001B	*REPLACEMENT OF POWER LINE CARR*				
30013	Design & Specifications	$0	$70	$0	$70
30400	Interest During Construc	$0	$0	$161	$181
35300	Station Equipment	$0	$4,926	$0	$4,926
?PK D0001B	*Work order total*	$0	$4,996	$181	$5,177
K D	**Facility Total**	$0	$4,996	$181	$5,177
:S	PRESCOTT SUBSTATION				
?RS 0010B	*REPLACEMENT OF POWER LINE CARR*				
30400	Interest During Construc	$0	$0	$182	$182
35300	Station Equipment	$0	$5,020	$0	$5,020
?RS 0010B	*Work order total*	$0	$5,020	$182	$5,202
S	**Facility Total**	$0	$5,020	$182	$5,202
IS	ROGERS SUBSTATION				
:GS 0002B	*ADDITION OF SF6 GAS MONITORING*				
30400	Interest During Construc	$0	$0	$584	$584
35300	Station Equipment	$0	$16,107	$0	$16,107
:GS 0002B	*Work order total*	$0	$16,107	$584	$16,691
IS	**Facility Total**	$0	$16,107	$584	$16,691
IT	RED MOUNTAIN				
IMT 0003B	*MICROWAVE INSTALLATION AT RED*				
30012	Collection of Field Data	$8,089	$0	$33	$8,122
30400	Interest During Construc	$34,366	$0	$16,554	$50,921

DESERT SOUTHWEST
ENGINEERING & CONSTRUCTION
TEN-YEAR PLAN

DATE GENERATED __/96

DESERT SOUTHWEST REGION
FY1996 CONSTRUCTION PROGRAM
FEDERAL PROJECTS

ROJECT	DESCRIPTION/COMMENTS	CONSTRUCTION AWARD DATE	CONSTRUCTION INSERVICE DATE	FIN. TYPE	TOTAL EST. COST	TOTAL TO DATE COST	ACTUAL FY95	BUDGET (IN $1000) WESTERNS SHARE FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
ogers Sub -Installation	Install Equipment in Rogers Sub.	10/1/91	9/1/94	FED	$4,014		$200									
				PD	$3,383	$3,383	$9									
					$3,383	$3,079	$12	$304								
					[764]	[764]	[1]									
lead Stage 05(Parker-Davis)	Provide New Line Bay	4/28/93	3/10/95	FED	$878		$53									
				PD	$807	$807	($96)									
					$807	$803	($79)	$4								
					[111]	[111]	[66]									
avis 69-kV Sub Breaker Repl.	Purchase AEPCO Breaker #2152 to	5/1/94	6/15/95	FED	$310		$85									
	Replace Breaker #2352, Change			PD	$38	$38	$4									
	Buswork and Control/Relay				$38	$38	$20									
	Cables				[3]	[3]	[2]									
olidge Stage 07	Rebuild 12.5-kV service	7/11/94	9/1/95	FED	$6,697		$1,041	$642								
	Replace 115-kV and 230-kV			PD	$6,326	$6,326	$974									
	equipment.				$6,326	$5,898	$3,048	$427								
					[1,089]	[765]	[413]	[324]								
oenix SCADA System Repl.	Replace existing SCADA	9/14/90	1/1/96	FED	$10,132		$1,200	$68								
	System			PD	$12,150	$12,150	$1,134									
					$12,150	$9,580	$1,209	$2,570								
					[3,748]	[3,166]	[989]	[592]								
oenix O&M Center Stage 02	Const. Stage 02	10/21/91	9/22/96	FED	$12,878		$374	$495								
	Phoenix O&M Center			PD	$12,682	$12,682	$217									
	Dispatch, SCADA, Billing				$12,682	$12,120	$126	$542	3C.							
	& Scheduling				[2,791]	[2,269]	[4]	[522]	3D.							
nderson Switching Station	Replace the existing three	9/30/95	9/30/96	FED	$10,778		$4,000	$932								
	substation yards with			PD	$8,149	$8,149	$3,957									
	one new 230-kV switching station				$8,149	$3,326	$3,288	$4,823								
					[983]	[800]	[800]	[183]								
enix O&M Center Stage 2A	Complete work on street lights, cooling	10/15/97	9/30/96	FED	$750											
	towers, roof repair, building			PD	$1,017	$1,017	$364									
	wiring, critical alarms and fire				$1,017	$311	$222	$706								
	sprinklers				[41]	[12]	[12]	[29]								
#2 Substation Modifications	Replace three 10MVA 115/12.5-kV	2/15/96	6/15/97	FED	$6,221		$488	$3,060	$1,031	$116						
	transformers with two 25 MVA			PD	$5,962	$5,962	$181									
	units; rebuild 12.5KV yard				$5,962	$1,712	$136	$3,104	$1,148							
					[1,568]	[884]	[206]	[368]	[318]							
System Rebuild	Rebuild the JUS Microwave	7/30/95	8/30/97	FED	$3,000		$640	$535	$200							
	System			PD	$1,889	$1,889	$893									
					$1,889	$919	$678	$770	$200							
					[141]	[41]	[41]	[80]	[20]							

Budget $X,XXX Expensed $X,XXX
Actual $X,XXX IDC [$X,XXX]

PHOENIX AREA OFFICE
FY1995 CONSTRUCTION PROGRAM
FEDERAL PROJECTS

EM	PROJECT	DESCRIPTION/COMMENTS	CONSTRUCTION AWARD DATE	CONSTRUCTION INSERVICE DATE	FIN TYPE	TOTAL EST. COST	TOTAL TO DATE. COST	ACTUAL FY94	BUDGET (IN $1000) WESTERNS SHARE FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03
1	Mead Stage 06(Intertie)	Replace 18 Power Circuit	4/28/93	3/10/96	FED	$12,430	$10,634	$1,806									
		Breakers and associated			INT			$836									
		Control Equipment.				$11,799	$10,827	$3,862	$1,272								
						(1,768)	(1,190)	(804)	(568)								
2	Mead Stage 06(Parker-Davis)	Provide New Line Bay	4/28/93	3/10/96	FED	$878	$828	$60									
					PD			$22									
						$820	$787	$476	$63								
						(82)	(46)	(46)	(37)								
3	Davis 69 kV Sub - Breaker Repl.	Purchase AEPCO Breaker #2162 to	6/1/94	6/16/96	FED	$310	$75	$150	$86								
		Replace Breaker #2382, Change			PD			$37									
		Buswork and Control/Relay				$196	$84	$19	$103								
		Cables				(28)	(21)	(8)	(6)								
4	Coolidge Stage 07	Rebuild 12.6-kV service	7/11/94	7/11/96	FED	$7,886	$2,388	$4,600	$1,041	$842							
		Replace 115-kV and 230-kV			PD			$2,586									
		equipment.				$6,697	$2,888	$1,310	$3,246	$842							
						(1,108)	(362)	(226)	(426)	(332)							
5	Rogers Sub - Installation	Install Equipment in Rogers Sub,	10/1/91	9/1/96	FED	$4,071	$3,373	$661									
		Remove Mesa Sub Facilities,			PD			$172									
		Perform site cleanup				$3,823	$3,386	$284	$867								
						(774)	(763)	(308)	(11)								
6	Phoenix O&M Center Stage 02	Const. Stage 02	10/21/91	9/22/96	FED	$12,630	$11,580	$300	$865								
		Phoenix O&M Center			PD			$807									
		Dispatch, SCADA, Billing				$13,883	$12,046	$815	$1,037								
		& Scheduling				(2,334)	(2,266)	(1,114)	(80)								
7	Phoenix SCADA System Repl.	Replace existing SCADA	9/14/90	12/30/96	FED	$10,132	$6,808	$718	$348	$300							
		System		4A	PD			$1,080									
						$11,638	$8,281	$1,203	$3,288	$88							
				4B		(3,080)	(2,167)	(801)	(1,068)	(655)							
8	Basic Substation Stage 03	Replace the existing three	9/30/94	1/1/97	FED	$1[illegible],778	$6,678	$800	$4,000	$800							
		substation yards with			PD			$731									
		one new 230-kV switching station				$12,800	$8,818	$4,178	$4,888	$932	$500	$500					
						(1,814)	(734)	(308)	(161)	(190)	(483)	(276)					
9	Oracle-Tucson 115-kV Line	Rebuild three miles of line from	3/15/96	3/15/97	FED	$1,875	$17	$41	$342	$885	$607						
		structure 22-3 to Tucson			PD			$18									
		Substation				$1,862	$16	$18	$342	$886	$807						
						(147)	(0)	(0)	(14)	(83)	(70)						
10	JUS System Rebuild	Rebuild the JUS Microwave	7/30/96	8/30/97	FED	$3,000	$0	$250	$1,000	$600							
		System			PD			$242									
						$1,861	$86	$86	$830	$638	$200						
						(191)	(0)	(0)	(37)	(89)	(65)						

Budget	$X,XXX	Expensed	$X,XXX
Actual	$X,XXX	IDC	($X,XXX)

Revised Cost Assessment - April 1996
(Data collected from March 1996 end of month report.)

	REPLACEMENTS (short term)	ADDITIONS (long term)	TOTAL
30010 Const Planning	$71,079.40	$0.00	$71,079.40
30012 Field Data Coll	$36,935.48	$30,000.00	$66,935.48
30013 Design & Spec	$101,682.82	$100,000.00	$201,682.82
30014 Const Supv	$670,147.15	$150,000.00	$820,147 15
30015 Procur & Contr	$8,772.24	$0.00	$8,772.24
30021 Commission Act	$2,628,674.61	$300,000.00	$2,928,674.61
39710 Comm & SCADA	$3,047,888.22	$3,000,000.00	$6,047,888.22
39800 Misc Install Equip	$15,770.88	$0.00	$15,770.88
Projected Costs	$600,000.00	$0.00	$600,000.00
SUB TOTAL	$7,180,950.80	$3,580,000.00	$10,760,950.80
30400 IDC	$2,106,006.31	$1,049,930.96	$3,155,937.27
Unliquidated Obs	$1,272,296.90	$634,292.45	$1,906,589.35
TOTAL	**$10,559,254.01**	**$5,264,223.41**	**$15,823,477.42**

In continuing with the December 20, 1994 Assessment which separated the SCADA system costs into replacements and additions, the following assumptions have been made:

1. The costs since the December 20, 1994 Assessment were replacements.
2. Projected Costs are estimates through FY96.

Distribution Showing FY96 SCADA costs in MPCs

	# of Points	Percentage
AC Intertie Project	1211	15.07%
Boulder Canyon Project	1301	16.19%
Central Arizona Project	596	7.42%
Colorado River Basin Salinity Control Project	37	0.46%
Colorado River Front Work and Levee System	14	0.17%
Colorado River Storage Project	497	6.18%
Parker-Davis Project	4381	54.51%
Total	8037	100.00%

May 15, 1996

SCADA RTU POINTS with PROJECT DISTRIBUTION

Station		Type of SCADA Point as of 4/96 KWH	Analog	Control	Status	Total	Point Distribution by Project PDP	CAP	Intertie	BCP	CRSP	Salinity	Levee
Phoenix	PHX	4	24	22	114	164	164						
Pinnacle Peak	PPK	18	66	34	386	504	22		24		458		
Prescott	PRS	4	15	13	46	78	78						
Rattlesnake Tap	RSK	3	7	6	22	38	12	26					
Rogers	RGS	10	37	20	126	193	154				39		
Round Valley	RVL	2	8	4	11	25	25						
Saguaro	SGR	10	15	0	23	48	38	10					
Signal	SIG	1	6	3	15	25	25						
Spook Hill	SPH	1	8	14	54	77	11	66					
Tucson	TUC	2	17	14	47	80	80						
Vail	VLL	2	5	0	0	7	7						
Valley Farms	VAF	2	7	4	20	33	33						
Wellton Mohawk	WMS	6	13	16	39	74	74						
Westwing	WWG	6	12	0	10	28			28				
Westwing 500	WWG5	2	7	0	5	14			14				
Subtotals		273	1228	1219	5317	8037	4381	596	1211	1301	497	37	14
							54.51%	7.42%	15.07%	16.19%	6.18%	0.46%	0.17%

Differences from 1994 Distribution:

- Distribution based on February 14, 1995 Interconnect Power System Diagrams
- Decrease in number of points due to counting only used points, no spares were counted
- Added Levee Project for points associated with PCB652 at Gila Substation
- Mead distribution based on average number of points per PCB in 230-kV Yard

ANALYSIS OF SCADA SYSTEM

Appendix C

SCADA RTU POINTS with PROJECT DISTRIBUTION

Station		KWH	Analog	Control	Status	Total	PDP	CAP	Intertie	BCP	CRSP	Salinity	Levee
		Type of SCADA Point as of 4/96					Point Distribution by Project						
Adams	ADA	2	7	3	13	25	25						
Amargosa	AMR	2	8	11	41	62	62						
Apache	APE	2	6	0	16	24	24						
Basic	BAS	0	56	58	132	246	246						
Black Mesa	BMA	4	19	27	89	139		139					
Blythe	BLY	4	20	18	58	100	100						
Boulder Cty Tap	BTP	2	8	4	31	45	23			22			
Bouse	BSE	1	7	5	21	34	34						
Buckeye	BKE	4	9	2	13	28	28						
Casa Grande	CAG	5	14	13	30	62	62						
Coolidge	COL	8	58	40	218	324	324						
Davis Dam	DAD	12	44	42	131	229	203	26					
Del Bac	DLB	2	12	11	51	76	76						
ED 2	ED2	6	31	30	77	144	130	14					
ED 4	ED4	5	17	8	55	85	85						
ED 5	ED5	1	5	65	16	87	87						
Eagle Eye	EGL	2	10	5	22	39	39						
Empire	EMP	1	7	3	14	25	25						
Gila	GLA	10	38	49	117	214	186					14	14
Goldmine Tap	GLT	1	10	4	22	37	37						
Greenlee	GRL	2	5	0	0	7	7						
Harcuvar	HCR	1	14	15	48	78		78					
Hassayampa Pump	HAP	1	6	2	9	18		18					
Hassayampa Tap	HAT	0	4	3	15	22		22					
Hayden	HYN	2	4	0	0	6	6						
Headgate Rock	HDR	6	31	31	130	198	198						
Hilltop	HLT	1	19	22	45	87	87						
Hoover	HVR	20	41	6	75	142				142			
Knob	KNB	3	13	13	47	76	53					23	
Kofa	KOF	2	28	28	191	249	249						
Liberty	LIB	7	37	58	297	399	117	41	241				
Ligurta	WML	2	13	23	74	112	112						
Lone Butte	LOB	2	13	8	31	54	54						
Marana	MRN	2	6	0	4	12	12						
Maricopa	MAR	6	36	25	84	151	151						
McConnico	MCI	2	13	19	125	159	159						
McCullough	MCC	6	47	0	46	99		99					
Mead 500	MED	6	41	55	456	558			558				
Mead	MED	33	106	321	1281	1741	276		328	1137			
New Parker 3	NPD	0	6	6	20	32	32						
Nogales	NGL	2	6	6	24	38	38						
North Gila	NGA	4	13	0	14	31	31						
Oracle	ORA	8	20	16	41	85	85						
Parker Dam	PAD	8	62	14	168	252	195	57					
Perkins	PES	0	11	0	7	18			18				

COST ALLOCATION TABLE
AND
AMORTIZATION TABLES

	FY 95 LABOR HOUR	PERCENTAGE	REVISED POINTS	PERCENTAGE
P-DP	113,759.56	60.22%	4,381	54.51%
CAP	11,303.06	5.97%	596	7.42%
INTERTIE	19,648.85	10.40%	1,211	15.07%
BCP	26,606.20	14.08%	1,301	16.19%
CRSP	14,735.10	7.80%	497	6.18%
SALINITY	1,416.48	0.75%	37	0.46%
CRFW&LS	1,434.74	0.76%	14	0.17%
	188,903.99	100%	8,037	100%

PROJECTS BENEFITING FROM THESE COMMON FACILITIES - FTE

	Group 1 Total Costs	PDP 60.22%	BCP 14.08%	INT 10.40%	CRSP 7.80%	CAP 5.97%	SALINITY 0.75%	CRFW&LS 0.76%	TOTAL 100%	Interest Rate	Ser. Life
ical Data -Plant-In-Service											
ER-DAVIS PROJECT FY 1995 ROOS											
iix Service Center dule 1, GL10100, Page 15 & 16	$4,792,162	$2,885,880	$674,953	$498,457	$373,804	$286,260	$35,934	$36,397	$4,791,683	7.810% 1/	50
iix Service Center dule 1, GL10610, Page 29 & 30	$28,601,223	$17,223,895	$4,028,342	$2,974,956	$2,230,985	$1,708,493	$214,464	$217,228	$28,598,363	7.810% 1/	50
DP Plant In Service	$33,393,385	$20,109,775	$4,703,294	$3,473,413	$2,604,788	$1,994,752	$250,397	$253,625	$33,390,046	7.810% 1/	50
:TIE PROJECT FY 1995 ROOS											
Service Center edule 1, GL10100, Page 2	$3,195,089	$1,924,109	$450,013	$332,337	$249,227	$190,858	$23,958	$24,267	$3,194,769	7.810% 1/	50
Service Center edule 1, GL10610, Page 4	$0	$0	$0	$0	$0	$0	$0	$0	$0	8.500%	50
C Intertie Plant in Service	$3,195,089	$1,924,109	$450,013	$332,337	$249,227	$190,858	$23,958	$24,267	$3,194,769		
: Data - FY 1996 Ten Year Plan & FY 1995 ROOS											
ER-DAVIS PROJECT											
iix O&M Center Stg 2											
dule 2, GL10710, Page 9 & 10											
Work Orders PHS-0039C thru PHS-0049	$397,937										
dule 2, GL10720, Page 18 & 19											
Work Orders PHS-0034B thru PHS-0051	$222,731										
iix O&M Center Stg 2											
6 Ten Year Plan, Item 6, page A-1	$542,000										
From Item 6	$522,000										
PDP Future Data	$1,684,668	$1,014,521	$237,277	$175,231	$131,409	$100,634	$12,632	$12,795	$1,684,500	8.750%	50

PROJECTS BENEFITING FROM THESE COMMON FACILITIES - POINTS

: Facilities using Ten Year Plan	Group 2 Total Costs	PDP 54.51%	BCP 16.19%	INT 15.07%	CRSP 6.18%	CAP 7.42%	SALINITY 0.46%	CRFW&LS 0.17%	TOTAL 100%	Interest Rate	Ser. Life
ER-DAVIS PROJECT											
:e Scada System - Replacements 1995 10 yr Engineering Plan, Item 7, page A-1 From Item 7	$10,559,254	$5,755,890	$1,709,293	$1,591,048	$652,974	$783,043	$48,612	$18,394	$10,559,254	8.875%	15
:e Scada System - Additions 1995 10 yr Engineering Plan, Item 7, page A-1 From Item 7	$5,264,223	$2,869,548	$852,153	$793,203	$325,534	$390,379	$24,235	$9,170	$5,264,223	8.875%	50
PDP Future Data	$15,823,477	$8,625,439	$2,561,446	$2,384,252	$978,508	$1,173,422	$72,847	$27,564	$15,823,477	8.875%	15

ıverage interst rate was taken fro investments that could not be identified with a specific interest rate. The interest rate is an average from 1972-1985 because these items were booked to plant during this time.
erences to Schedules 1 & 2 / GL 10100, 10610, & 10710 are from Western's FY 1994 Results of Operations (ROOS) documents.

AMORTIZATION SCHEDULE FOR BCP				Phoenix Service Center -plant	
4,703,294		50	376,084	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT RATE	PAYMENT	PAYMENT
1996	1	4,694,538	7.81%	8,757	376,084
1997	2	4,685,097	7.81%	9,440	376,084
1998	3	4,674,920	7.81%	10,178	376,084
1999	4	4,663,947	7.81%	10,973	376,084
2000	5	4,652,118	7.81%	11,830	376,084
2001	6	4,639,364	7.81%	12,753	376,084
2002	7	4,625,615	7.81%	13,749	376,084
2003	8	4,610,791	7.81%	14,823	376,084
2004	9	4,594,810	7.81%	15,981	376,084
2005	10	4,577,581	7.81%	17,229	376,084
2006	11	4,559,006	7.81%	18,575	376,084
2007	12	4,538,981	7.81%	20,025	376,084
2008	13	4,517,392	7.81%	21,589	376,084
2009	14	4,494,116	7.81%	23,276	376,084
2010	15	4,469,023	7.81%	25,093	376,084
2011	16	4,441,969	7.81%	27,053	376,084
2012	17	4,412,803	7.81%	29,166	376,084
2013	18	4,381,360	7.81%	31,444	376,084
2014	19	4,347,460	7.81%	33,900	376,084
2015	20	4,310,913	7.81%	36,547	376,084
2016	21	4,271,511	7.81%	39,402	376,084
2017	22	4,229,032	7.81%	42,479	376,084
2018	23	4,183,236	7.81%	45,796	376,084
2019	24	4,133,863	7.81%	49,373	376,084
2020	25	4,080,634	7.81%	53,229	376,084
2021	26	4,023,247	7.81%	57,386	376,084
2022	27	3,961,379	7.81%	61,868	376,084
2023	28	3,894,679	7.81%	66,700	376,084
2024	29	3,822,770	7.81%	71,909	376,084
2025	30	3,745,244	7.81%	77,526	376,084
2026	31	3,661,664	7.81%	83,580	376,084
2027	32	3,571,556	7.81%	90,108	376,084
2028	33	3,474,411	7.81%	97,145	376,084
2029	34	3,369,678	7.81%	104,732	376,084
2030	35	3,256,766	7.81%	112,912	376,084
2031	36	3,135,036	7.81%	121,730	376,084
2032	37	3,003,798	7.81%	131,238	376,084
2033	38	2,862,311	7.81%	141,487	376,084
2034	39	2,709,774	7.81%	152,537	376,084
2035	40	2,545,323	7.81%	164,450	376,084
2036	41	2,368,029	7.81%	177,294	376,084
2037	42	2,176,889	7.81%	191,141	376,084
2038	43	1,970,820	7.81%	206,069	376,084
2039	44	1,748,657	7.81%	222,163	376,084
2040	45	1,509,143	7.81%	239,514	376,084
2041	46	1,250,924	7.81%	258,220	376,084
2042	47	972,537	7.81%	278,387	376,084
2043	48	672,408	7.81%	300,129	376,084
2044	49	348,839	7.81%	323,569	376,084
2045	50	0	7.81%	348,839	376,084
2046	51	0	0.00%	0	0
2047	52	0	0.00%	0	0

AMORTIZATION SCHEDULE FOR BCP				Repalce SCADA SYSTEM - Replace	
1,709,293	15		210,491	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996					
1997	1	1,650,502	8.875%	58,791	210,491
1998	2	1,586,494	8.875%	64,009	210,491
1999	3	1,516,804	8.875%	69,689	210,491
2000	4	1,440,930	8.875%	75,874	210,491
2001	5	1,358,322	8.875%	82,608	210,491
2002	6	1,268,382	8.875%	89,940	210,491
2003	7	1,170,460	8.875%	97,922	210,491
2004	8	1,063,848	8.875%	106,612	210,491
2005	9	947,774	8.875%	116,074	210,491
2006	10	821,398	8.875%	126,376	210,491
2007	11	683,806	8.875%	137,592	210,491
2008	12	534,003	8.875%	149,803	210,491
2009	13	370,905	8.875%	163,098	210,491
2010	14	193,332	8.875%	177,573	210,491
2011	15	0	8.875%	193,332	210,491
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	0
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE FOR BCP				Repalce SCADA SYS-Add	
852,153	50		76,721	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RAT	PAYMENT	PAYMENT
1996					
1997	1	851,060	8.875%	1,093	76,721
1998	2	849,871	8.875%	1,190	76,721
1999	3	848,575	8.875%	1,295	76,721
2000	4	847,165	8.875%	1,410	76,721
2001	5	845,630	8.875%	1,535	76,721
2002	6	843,958	8.875%	1,672	76,721
2003	7	842,138	8.875%	1,820	76,721
2004	8	840,157	8.875%	1,982	76,721
2005	9	837,999	8.875%	2,157	76,721
2006	10	835,650	8.875%	2,349	76,721
2007	11	833,093	8.875%	2,557	76,721
2008	12	830,309	8.875%	2,784	76,721
2009	13	827,277	8.875%	3,031	76,721
2010	14	823,977	8.875%	3,300	76,721
2011	15	820,383	8.875%	3,593	76,721
2012	16	816,471	8.875%	3,912	76,721
2013	17	812,212	8.875%	4,259	76,721
2014	18	807,574	8.875%	4,638	76,721
2015	19	802,525	8.875%	5,049	76,721
2016	20	797,028	8.875%	5,497	76,721
2017	21	791,043	8.875%	5,985	76,721
2018	22	784,526	8.875%	6,516	76,721
2019	23	777,432	8.875%	7,095	76,721
2020	24	769,708	8.875%	7,724	76,721
2021	25	761,298	8.875%	8,410	76,721
2022	26	752,142	8.875%	9,156	76,721
2023	27	742,173	8.875%	9,969	76,721
2024	28	731,319	8.875%	10,853	76,721
2025	29	719,503	8.875%	11,817	76,721
2026	30	706,637	8.875%	12,865	76,721
2027	31	692,630	8.875%	14,007	76,721
2028	32	677,380	8.875%	15,250	76,721
2029	33	660,776	8.875%	16,604	76,721
2030	34	642,698	8.875%	18,077	76,721
2031	35	623,017	8.875%	19,682	76,721
2032	36	601,588	8.875%	21,429	76,721
2033	37	578,258	8.875%	23,330	76,721
2034	38	552,857	8.875%	25,401	76,721
2035	39	525,201	8.875%	27,655	76,721
2036	40	495,092	8.875%	30,110	76,721
2037	41	462,310	8.875%	32,782	76,721
2038	42	426,618	8.875%	35,691	76,721
2039	43	387,760	8.875%	38,859	76,721
2040	44	345,452	8.875%	42,308	76,721
2041	45	299,389	8.875%	46,062	76,721
2042	46	249,239	8.875%	50,150	76,721
2043	47	194,638	8.875%	54,601	76,721
2044	48	135,190	8.875%	59,447	76,721
2045	49	70,467	8.875%	64,723	76,721
2046	50	0	8.875%	70,467	76,721
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE FOR BCP				PHX O&M Center-10 Yr. Plan		TOTAL	AMORTIZATION SCHEDULE FOR BCP				Mead Svc Center-Sch1		AMORTIZATION SCHEDULE FOR BCP				Mead Service Center -Sch1		TOTAL	TOTAL EXP
237,277		50	21,080	PRINCIPAL	TOTAL	PAID TO	450,013		50	35,984	RINCIPA	TOTAL	0		50	0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP	YEAR		UNPAID IN	INT RATE	PAYMENT	PAYMENT	YEAR		UNPAID INV.	INT RATE	PAYMENT	PAYMENT	INTERTIE	BCP
1996						376,084	1996	1	449,175	7.810%	838	35,984	1996	1	0	8.500%	0	0	35,984	412,068
1997	1	236,959	8.750%	318	21,080	684,376	1997	2	448,272	7.810%	903	35,984	1997	2	0	8.500%	0	0	35,984	720,359
1998	2	236,613	8.750%	346	21,080	684,376	1998	3	447,298	7.810%	974	35,984	1998	3	0	8.500%	0	0	35,984	720,359
1999	3	236,237	8.750%	376	21,080	684,376	1999	4	446,248	7.810%	1,050	35,984	1999	4	0	8.500%	0	0	35,984	720,359
2000	4	235,828	8.750%	409	21,080	684,376	2000	5	445,116	7.810%	1,132	35,984	2000	5	0	8.500%	0	0	35,984	720,359
2001	5	235,384	8.750%	445	21,080	684,376	2001	6	443,896	7.810%	1,220	35,984	2001	6	0	8.500%	0	0	35,984	720,359
2002	6	234,900	8.750%	484	21,080	684,376	2002	7	442,580	7.810%	1,316	35,984	2002	7	0	8.500%	0	0	35,984	720,359
2003	7	234,374	8.750%	526	21,080	684,376	2003	8	441,162	7.810%	1,418	35,984	2003	8	0	8.500%	0	0	35,984	720,359
2004	8	233,802	8.750%	572	21,080	684,376	2004	9	439,633	7.810%	1,529	35,984	2004	9	0	8.500%	0	0	35,984	720,359
2005	9	233,180	8.750%	622	21,080	684,376	2005	10	437,984	7.810%	1,648	35,984	2005	10	0	8.500%	0	0	35,984	720,359
2006	10	232,503	8.750%	676	21,080	684,376	2006	11	436,207	7.810%	1,777	35,984	2006	11	0	8.500%	0	0	35,984	720,359
2007	11	231,768	8.750%	736	21,080	684,376	2007	12	434,291	7.810%	1,916	35,984	2007	12	0	8.500%	0	0	35,984	720,359
2008	12	230,968	8.750%	800	21,080	684,376	2008	13	432,225	7.810%	2,066	35,984	2008	13	0	8.500%	0	0	35,984	720,359
2009	13	230,098	8.750%	870	21,080	684,376	2009	14	429,998	7.810%	2,227	35,984	2009	14	0	8.500%	0	0	35,984	720,359
2010	14	229,151	8.750%	946	21,080	684,376	2010	15	427,597	7.810%	2,401	35,984	2010	15	0	8.500%	0	0	35,984	720,359
2011	15	228,122	8.750%	1,029	21,080	684,376	2011	16	425,009	7.810%	2,588	35,984	2011	16	0	8.500%	0	0	35,984	720,359
2012	16	227,003	8.750%	1,119	21,080	473,885	2012	17	422,218	7.810%	2,791	35,984	2012	17	0	8.500%	0	0	35,984	509,869
2013	17	225,786	8.750%	1,217	21,080	473,885	2013	18	419,210	7.810%	3,009	35,984	2013	18	0	8.500%	0	0	35,984	509,869
2014	18	224,463	8.750%	1,323	21,080	473,885	2014	19	415,966	7.810%	3,244	35,984	2014	19	0	8.500%	0	0	35,984	509,869
2015	19	223,024	8.750%	1,439	21,080	473,885	2015	20	412,469	7.810%	3,497	35,984	2015	20	0	8.500%	0	0	35,984	509,869
2016	20	221,459	8.750%	1,565	21,080	473,885	2016	21	408,699	7.810%	3,770	35,984	2016	21	0	8.500%	0	0	35,984	509,869
2017	21	219,757	8.750%	1,702	21,080	473,885	2017	22	404,635	7.810%	4,064	35,984	2017	22	0	8.500%	0	0	35,984	509,869
2018	22	217,905	8.750%	1,851	21,080	473,885	2018	23	400,253	7.810%	4,382	35,984	2018	23	0	8.500%	0	0	35,984	509,869
2019	23	215,892	8.750%	2,013	21,080	473,885	2019	24	395,529	7.810%	4,724	35,984	2019	24	0	8.500%	0	0	35,984	509,869
2020	24	213,703	8.750%	2,189	21,080	473,885	2020	25	390,436	7.810%	5,093	35,984	2020	25	0	8.500%	0	0	35,984	509,869
2021	25	211,323	8.750%	2,381	21,080	473,885	2021	26	384,946	7.810%	5,491	35,984	2021	26	0	8.500%	0	0	35,984	509,869
2022	26	208,734	8.750%	2,589	21,080	473,885	2022	27	379,026	7.810%	5,920	35,984	2022	27	0	8.500%	0	0	35,984	509,869
2023	27	205,918	8.750%	2,816	21,080	473,885	2023	28	372,644	7.810%	6,382	35,984	2023	28	0	8.500%	0	0	35,984	509,869
2024	28	202,856	8.750%	3,062	21,080	473,885	2024	29	365,764	7.810%	6,880	35,984	2024	29	0	8.500%	0	0	35,984	509,869
2025	29	199,526	8.750%	3,330	21,080	473,885	2025	30	358,346	7.810%	7,418	35,984	2025	30	0	8.500%	0	0	35,984	509,869
2026	30	195,905	8.750%	3,621	21,080	473,885	2026	31	350,349	7.810%	7,997	35,984	2026	31	0	8.500%	0	0	35,984	509,869
2027	31	191,967	8.750%	3,938	21,080	473,885	2027	32	341,728	7.810%	8,622	35,984	2027	32	0	8.500%	0	0	35,984	509,869
2028	32	187,684	8.750%	4,283	21,080	473,885	2028	33	332,433	7.810%	9,295	35,984	2028	33	0	8.500%	0	0	35,984	509,869
2029	33	183,027	8.750%	4,657	21,080	473,885	2029	34	322,412	7.810%	10,021	35,984	2029	34	0	8.500%	0	0	35,984	509,869
2030	34	177,962	8.750%	5,065	21,080	473,885	2030	35	311,608	7.810%	10,803	35,984	2030	35	0	8.500%	0	0	35,984	509,869
2031	35	172,454	8.750%	5,508	21,080	473,885	2031	36	299,961	7.810%	11,647	35,984	2031	36	0	8.500%	0	0	35,984	509,869
2032	36	166,464	8.750%	5,990	21,080	473,885	2032	37	287,404	7.810%	12,557	35,984	2032	37	0	8.500%	0	0	35,984	509,869
2033	37	159,950	8.750%	6,514	21,080	473,885	2033	38	273,867	7.810%	13,538	35,984	2033	38	0	8.500%	0	0	35,984	509,869
2034	38	152,866	8.750%	7,084	21,080	473,885	2034	39	259,272	7.810%	14,595	35,984	2034	39	0	8.500%	0	0	35,984	509,869
2035	39	145,162	8.750%	7,704	21,080	473,885	2035	40	243,537	7.810%	15,735	35,984	2035	40	0	8.500%	0	0	35,984	509,869
2036	40	136,784	8.750%	8,378	21,080	473,885	2036	41	226,574	7.810%	16,964	35,984	2036	41	0	8.500%	0	0	35,984	509,869
2037	41	127,673	8.750%	9,111	21,080	473,885	2037	42	208,285	7.810%	18,288	35,984	2037	42	0	8.500%	0	0	35,984	509,869
2038	42	117,765	8.750%	9,908	21,080	473,885	2038	43	188,569	7.810%	19,717	35,984	2038	43	0	8.500%	0	0	35,984	509,869
2039	43	106,989	8.750%	10,775	21,080	473,885	2039	44	167,312	7.810%	21,257	35,984	2039	44	0	8.500%	0	0	35,984	509,869
2040	44	95,271	8.750%	11,718	21,080	473,885	2040	45	144,395	7.810%	22,917	35,984	2040	45	0	8.500%	0	0	35,984	509,869
2041	45	82,527	8.750%	12,744	21,080	473,885	2041	46	119,689	7.810%	24,707	35,984	2041	46	0	8.500%	0	0	35,984	509,869
2042	46	68,669	8.750%	13,859	21,080	473,885	2042	47	93,053	7.810%	26,636	35,984	2042	47	0	8.500%	0	0	35,984	509,869
2043	47	53,598	8.750%	15,071	21,080	473,885	2043	48	64,336	7.810%	28,716	35,984	2043	48	0	8.500%	0	0	35,984	509,869
2044	48	37,208	8.750%	16,390	21,080	473,885	2044	49	33,377	7.810%	30,959	35,984	2044	49	0	8.500%	0	0	35,984	509,869
2045	49	19,384	8.750%	17,624	21,080	473,885	2045	50	0	7.810%	33,377	35,984	2045	5[illegible]	0	8.500%	0	0	35,984	509,869
2046	50	0	8.750%	19,[illegible]4	21,080	97,801	2046	51	0	0.000%	0	0	2046	5	0	0.000%	0	0	0	97,801
2047	51	0	0.000%	0	0	0	2047	52	0	0.000%	0	0	2047	52	0	0.000%	0	0	0	0
						26,851,604													1,799,191	28,650,795

AMORTIZATION SCHEDULE FOR CAP				Phoenix Service Center -plant	
1,994,752		50	159,504	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT
1996	1	1,991,038	7.81%	3,714	159,504
1997	2	1,987,034	7.81%	4,004	159,504
1998	3	1,982,718	7.81%	4,317	159,504
1999	4	1,978,064	7.81%	4,654	159,504
2000	5	1,973,047	7.81%	5,017	159,504
2001	6	1,967,638	7.81%	5,409	159,504
2002	7	1,961,807	7.81%	5,831	159,504
2003	8	1,955,520	7.81%	6,287	159,504
2004	9	1,948,742	7.81%	6,778	159,504
2005	10	1,941,435	7.81%	7,307	159,504
2006	11	1,933,557	7.81%	7,878	159,504
2007	12	1,925,064	7.81%	8,493	159,504
2008	13	1,915,907	7.81%	9,156	159,504
2009	14	1,906,036	7.81%	9,872	159,504
2010	15	1,895,393	7.81%	10,643	159,504
2011	16	1,883,919	7.81%	11,474	159,504
2012	17	1,871,550	7.81%	12,370	159,504
2013	18	1,858,214	7.81%	13,336	159,504
2014	19	1,843,836	7.81%	14,377	159,504
2015	20	1,828,336	7.81%	15,500	159,504
2016	21	1,811,625	7.81%	16,711	159,504
2017	22	1,793,609	7.81%	18,016	159,504
2018	23	1,774,186	7.81%	19,423	159,504
2019	24	1,753,246	7.81%	20,940	159,504
2020	25	1,730,670	7.81%	22,575	159,504
2021	26	1,706,332	7.81%	24,339	159,504
2022	27	1,680,092	7.81%	26,239	159,504
2023	28	1,651,804	7.81%	28,289	159,504
2024	29	1,621,306	7.81%	30,498	159,504
2025	30	1,588,426	7.81%	32,880	159,504
2026	31	1,552,978	7.81%	35,448	159,504
2027	32	1,514,761	7.81%	38,216	159,504
2028	33	1,473,560	7.81%	41,201	159,504
2029	34	1,429,141	7.81%	44,419	159,504
2030	35	1,381,253	7.81%	47,888	159,504
2031	36	1,329,625	7.81%	51,628	159,504
2032	37	1,273,965	7.81%	55,660	159,504
2033	38	1,213,958	7.81%	60,007	159,504
2034	39	1,149,264	7.81%	64,694	159,504
2035	40	1,079,518	7.81%	69,746	159,504
2036	41	1,004,324	7.81%	75,194	159,504
2037	42	923,258	7.81%	81,066	159,504
2038	43	835,860	7.81%	87,398	159,504
2039	44	741,637	7.81%	94,223	159,504
2040	45	640,055	7.81%	101,582	159,504
2041	46	530,539	7.81%	109,516	159,504
2042	47	412,470	7.81%	118,069	159,504
2043	48	285,180	7.81%	127,290	159,504
2044	49	147,949	7.81%	137,231	159,504
2045	50	0	7.81%	147,949	159,504
2046	51	0	0.00%	0	0
2047	52	0	0.00%	0	0

AMORTIZATION SCHEDULE-CAP				Repalce SCADA SYS - Replace	
783,043	15		96,428	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996					
1997	1	756,110	8.875%	26,933	96,428
1998	2	726,787	8.875%	29,323	96,428
1999	3	694,862	8.875%	31,925	96,428
2000	4	660,103	8.875%	34,759	96,428
2001	5	622,260	8.875%	37,844	96,428
2002	6	581,057	8.875%	41,202	96,428
2003	7	536,199	8.875%	44,859	96,428
2004	8	487,358	8.875%	48,840	96,428
2005	9	434,184	8.875%	53,175	96,428
2006	10	376,290	8.875%	57,894	96,428
2007	11	313,258	8.875%	63,032	96,428
2008	12	244,632	8.875%	68,626	96,428
2009	13	169,915	8.875%	74,717	96,428
2010	14	88,567	8.875%	81,348	96,428
2011	15	0	8.875%	88,567	96,428
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	0
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-CAP				Repalce SCADA SYS - Add	
390,379	50		35,147	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RAT	PAYMENT	PAYMENT
1996					
1997	1	389,879	8.875%	501	35,147
1998	2	389,334	8.875%	545	35,147
1999	3	388,740	8.875%	593	35,147
2000	4	388,094	8.875%	646	35,147
2001	5	387,391	8.875%	703	35,147
2002	6	386,625	8.875%	766	35,147
2003	7	385,791	8.875%	834	35,147
2004	8	384,883	8.875%	908	35,147
2005	9	383,895	8.875%	988	35,147
2006	10	382,819	8.875%	1,076	35,147
2007	11	381,647	8.875%	1,172	35,147
2008	12	380,372	8.875%	1,276	35,147
2009	13	378,983	8.875%	1,389	35,147
2010	14	377,471	8.875%	1,512	35,147
2011	15	375,825	8.875%	1,646	35,147
2012	16	374,033	8.875%	1,792	35,147
2013	17	372,082	8.875%	1,951	35,147
2014	18	369,957	8.875%	2,124	35,147
2015	19	367,644	8.875%	2,313	35,147
2016	20	365,126	8.875%	2,518	35,147
2017	21	362,384	8.875%	2,742	35,147
2018	22	359,399	8.875%	2,985	35,147
2019	23	356,149	8.875%	3,250	35,147
2020	24	352,610	8.875%	3,539	35,147
2021	25	348,757	8.875%	3,853	35,147
2022	26	344,563	8.875%	4,195	35,147
2023	27	339,996	8.875%	4,567	35,147
2024	28	335,024	8.875%	4,972	35,147
2025	29	329,611	8.875%	5,413	35,147
2026	30	323,717	8.875%	5,894	35,147
2027	31	317,300	8.875%	6,417	35,147
2028	32	310,314	8.875%	6,986	35,147
2029	33	302,707	8.875%	7,606	35,147
2030	34	294,426	8.875%	8,281	35,147
2031	35	285,410	8.875%	9,016	35,147
2032	36	275,593	8.875%	9,817	35,147
2033	37	264,905	8.875%	10,688	35,147
2034	38	253,269	8.875%	11,636	35,147
2035	39	240,600	8.875%	12,669	35,147
2036	40	226,806	8.875%	13,794	35,147
2037	41	211,788	8.875%	15,018	35,147
2038	42	195,438	8.875%	16,351	35,147
2039	43	177,636	8.875%	17,802	35,147
2040	44	158,255	8.875%	19,382	35,147
2041	45	137,153	8.875%	21,102	35,147
2042	46	114,179	8.875%	22,974	35,147
2043	47	89,165	8.875%	25,013	35,147
2044	48	61,932	8.875%	27,233	35,147
2045	49	32,282	8.875%	29,650	35,147
2046	50	0	8.875%	32,282	35,147
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-CAP				PHX O&M Center-10 Yr. Plan		TOTAL
100,634		50	8,940	PRINCIPAL	TOTAL	PAID TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP
1996						159,504
1997	1	100,499	8.750%	135	8,940	300,019
1998	2	100,352	8.750%	147	8,940	300,019
1999	3	100,193	8.750%	159	8,940	300,019
2000	4	100,019	8.750%	173	8,940	300,019
2001	5	99,830	8.750%	189	8,940	300,019
2002	6	99,625	8.750%	205	8,940	300,019
2003	7	99,402	8.750%	223	8,940	300,019
2004	8	99,160	8.750%	243	8,940	300,019
2005	9	98,896	8.750%	264	8,940	300,019
2006	10	98,609	8.750%	287	8,940	300,019
2007	11	98,297	8.750%	312	8,940	300,019
2008	12	97,958	8.750%	339	8,940	300,019
2009	13	97,589	8.750%	369	8,940	300,019
2010	14	97,187	8.750%	401	8,940	300,019
2011	15	96,751	8.750%	436	8,940	300,019
2012	16	96,276	8.750%	475	8,940	203,591
2013	17	95,760	8.750%	516	8,940	203,591
2014	18	95,199	8.750%	561	8,940	203,591
2015	19	94,588	8.750%	610	8,940	203,591
2016	20	93,925	8.750%	664	8,940	203,591
2017	21	93,203	8.750%	722	8,940	203,591
2018	22	92,418	8.750%	785	8,940	203,591
2019	23	91,564	8.750%	854	8,940	203,591
2020	24	90,635	8.750%	928	8,940	203,591
2021	25	89,626	8.750%	1,010	8,940	203,591
2022	26	68,528	8.750%	1,098	8,940	203,591
2023	27	87,334	8.750%	1,194	8,940	203,591
2024	28	86,035	8.750%	1,299	8,940	203,591
2025	29	84,623	8.750%	1,412	8,940	203,591
2026	30	83,087	8.750%	1,536	8,940	203,591
2027	31	81,417	8.750%	1,670	8,940	203,591
2028	32	79,600	8.750%	1,816	8,940	203,591
2029	33	77,625	8.750%	1,975	8,940	203,591
2030	34	75,477	8.750%	2,148	8,940	203,591
2031	35	73,141	8.750%	2,336	8,940	203,591
2032	36	70,600	8.750%	2,540	8,940	203,591
2033	37	67,838	8.750%	2,763	8,940	203,591
2034	38	64,833	8.750%	3,004	8,940	203,591
2035	39	61,566	8.750%	3,267	8,940	203,591
2036	40	58,013	8.750%	3,553	8,940	203,591
2037	41	54,148	8.750%	3,864	8,940	203,591
2038	42	49,946	8.750%	4,202	8,940	203,591
2039	43	45,376	8.750%	4,570	8,940	203,591
2040	44	40,406	8.750%	4,970	8,940	203,591
2041	45	35,001	8.750%	5,405	8,940	203,591
2042	46	29,124	8.750%	5,878	8,940	203,591
2043	47	22,732	8.750%	6,392	8,940	203,591
2044	48	15,780	8.750%	6,951	8,940	203,591
2045	49	8,221	8.750%	7,560	8,940	203,591
2046	5[illegible]	(0)	8.750%	8,221	8,94[illegible]	44,087
2047	5	0	0.000%	0		0
						11,625,964

AMORTIZATION SCHEDULE-CAP				Mead Svc Center-Sch1	
190,858	50		15,261	RINCIPA	TOTAL
YEAR		UNPAID IN	INT RATE	PAYMENT	PAYMENT
1996	1	190,503	7.810%	355	15,261
1997	2	190,120	7.810%	383	15,261
1998	3	189,707	7.810%	413	15,261
1999	4	189,262	7.810%	445	15,261
2000	5	188,782	7.810%	480	15,261
2001	6	188,264	7.810%	518	15,261
2002	7	187,706	7.810%	558	15,261
2003	8	187,105	7.810%	602	15,261
2004	9	186,456	7.810%	649	15,261
2005	10	185,757	7.810%	699	15,261
2006	11	185,003	7.810%	754	15,261
2007	12	184,191	7.810%	813	15,261
2008	13	183,315	7.810%	876	15,261
2009	14	182,370	7.810%	945	15,261
2010	15	181,352	7.810%	1,018	15,261
2011	16	180,254	7.810%	1,098	15,261
2012	17	179,070	7.810%	1,184	15,261
2013	18	177,794	7.810%	1,276	15,261
2014	19	176,419	7.810%	1,376	15,261
2015	20	174,936	7.810%	1,483	15,261
2016	21	173,337	7.810%	1,599	15,261
2017	22	171,613	7.810%	1,724	15,261
2018	23	169,755	7.810%	1,858	15,261
2019	24	167,751	7.810%	2,004	15,261
2020	25	165,591	7.810%	2,160	15,261
2021	26	163,262	7.810%	2,329	15,261
2022	27	160,752	7.810%	2,511	15,261
2023	28	158,045	7.810%	2,707	15,261
2024	29	155,127	7.810%	2,918	15,261
2025	30	151,981	7.810%	3,146	15,261
2026	31	148,589	7.810%	3,392	15,261
2027	32	144,933	7.810%	3,657	15,261
2028	33	140,991	7.810%	3,942	15,261
2029	34	136,741	7.810%	4,250	15,261
2030	35	132,159	7.810%	4,582	15,261
2031	36	127,219	7.810%	4,940	15,261
2032	37	121,893	7.810%	5,326	15,261
2033	38	116,152	7.810%	5,742	15,261
2034	39	109,962	7.810%	6,190	15,261
2035	40	103,289	7.810%	6,673	15,261
2036	41	96,094	7.810%	7,195	15,261
2037	42	88,338	7.810%	7,756	15,261
2038	43	79,975	7.810%	8,362	15,261
2039	44	70,960	7.810%	9,015	15,261
2040	45	61,241	7.810%	9,719	15,261
2041	46	50,762	7.810%	10,478	15,261
2042	47	39,465	7.810%	11,297	15,261
2043	48	27,286	7.810%	12,179	15,261
2044	49	14,156	7.810%	13,130	15,261
2045	50	0	7.810%	14,156	15,261
2046	51	0	0[illegible]0%	0	0
2047	52	0	0[illegible]0%	0	0

AMORTIZATION SCHEDULE-CAP				Mead Service Center -Sch1		TOTAL	TOTAL EXP
0	50		0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	INTERTIE	CAP
1996	1	0	8.500%	0	0	15,261	174,765
1997	2	0	8.500%	0	0	15,261	315,280
1998	3	0	8.500%	0	0	15,261	315,280
1999	4	0	8.500%	0	0	15,261	315,280
2000	5	0	8.500%	0	0	15,261	315,280
2001	6	0	8.500%	0	0	15,261	315,280
2002	7	0	8.500%	0	0	15,261	315,280
2003	8	0	8.500%	0	0	15,261	315,280
2004	9	0	8.500%	0	0	15,261	315,280
2005	10	0	8.500%	0	0	15,261	315,280
2006	11	0	8.500%	0	0	15,261	315,280
2007	12	0	8.500%	0	0	15,261	315,280
2008	13	0	8.500%	0	0	15,261	315,280
2009	14	0	8.500%	0	0	15,261	315,280
2010	15	0	8.500%	0	0	15,261	315,280
2011	16	0	8.500%	0	0	15,261	315,280
2012	17	0	8.500%	0	0	15,261	218,852
2013	18	0	8.500%	0	0	15,261	218,852
2014	19	0	8.500%	0	0	15,261	218,852
2015	20	0	8.500%	0	0	15,261	218,852
2016	21	0	8.500%	0	0	15,261	218,852
2017	22	0	8.500%	0	0	15,261	218,852
2018	23	0	8.500%	0	0	15,261	218,852
2019	24	0	8.500%	0	0	15,261	218,852
2020	25	0	8.500%	0	0	15,261	218,852
2021	26	0	8.500%	0	0	15,261	218,852
2022	27	0	8.500%	0	0	15,261	218,852
2023	28	0	8.500%	0	0	15,261	218,852
2024	29	0	8.500%	0	0	15,261	218,852
2025	30	0	8.500%	0	0	15,261	218,852
2026	31	0	8.500%	0	0	15,261	218,852
2027	32	0	8.500%	0	0	15,261	218,852
2028	33	0	8.500%	0	0	15,261	218,852
2029	34	0	8.500%	0	0	15,261	218,852
2030	35	0	8.500%	0	0	15,261	218,852
2031	36	0	8.500%	0	0	15,261	218,852
2032	37	0	8.500%	0	0	15,261	218,852
2033	38	0	8.500%	0	0	15,261	218,852
2034	39	0	8.500%	0	0	15,261	218,852
2035	40	0	8.500%	0	0	15,261	218,852
2036	41	0	8.500%	0	0	15,261	218,852
2037	42	0	8.500%	0	0	15,261	218,852
2038	43	0	8.500%	0	0	15,261	218,852
2039	44	0	8.500%	0	0	15,261	218,852
2040	45	0	8.500%	0	0	15,261	218,852
2041	46	0	8.500%	0	0	15,261	218,852
2042	47	0	8.500%	0	0	15,261	218,852
2043	48	0	8.500%	0	0	15,261	218,852
2044	49	0	8.500%	0	0	15,261	218,852
2045	50	0	8.500%	0	0	15,261	218,852
2046	51	[illegible]	0.000%	0	0	0	44,087
2047	52		0.000%	0	0	0	0
						763,069	12,389,033

AMORTIZATION SCHEDULE FOR SALINITY				Phoenix Service Center -plant	
250,397		50	20,022	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT
1996	1	249,931	7.81%	466	20,022
1997	2	249,429	7.81%	503	20,022
1998	3	248,887	7.81%	542	20,022
1999	4	248,303	7.81%	584	20,022
2000	5	247,673	7.81%	630	20,022
2001	6	246,994	7.81%	679	20,022
2002	7	246,262	7.81%	732	20,022
2003	8	245,473	7.81%	789	20,022
2004	9	244,622	7.81%	851	20,022
2005	10	243,705	7.81%	917	20,022
2006	11	242,716	7.81%	989	20,022
2007	12	241,650	7.81%	1,066	20,022
2008	13	240,500	7.81%	1,149	20,022
2009	14	239,261	7.81%	1,239	20,022
2010	15	237,925	7.81%	1,336	20,022
2011	16	236,485	7.81%	1,440	20,022
2012	17	234,932	7.81%	1,553	20,022
2013	18	233,258	7.81%	1,674	20,022
2014	19	231,453	7.81%	1,805	20,022
2015	20	229,507	7.81%	1,946	20,022
2016	21	227,410	7.81%	2,098	20,022
2017	22	225,148	7.81%	2,262	20,022
2018	23	222,710	7.81%	2,438	20,022
2019	24	220,082	7.81%	2,629	20,022
2020	25	217,248	7.81%	2,834	20,022
2021	26	214,193	7.81%	3,055	20,022
2022	27	210,899	7.81%	3,294	20,022
2023	28	207,348	7.81%	3,551	20,022
2024	29	203,519	7.81%	3,828	20,022
2025	30	199,392	7.81%	4,127	20,022
2026	31	194,942	7.81%	4,450	20,022
2027	32	190,145	7.81%	4,797	20,022
2028	33	184,973	7.81%	5,172	20,022
2029	34	179,397	7.81%	5,576	20,022
2030	35	173,386	7.81%	6,011	20,022
2031	36	166,905	7.81%	6,481	20,022
2032	37	159,918	7.81%	6,987	20,022
2033	38	152,386	7.81%	7,533	20,022
2034	39	144,265	7.81%	8,121	20,022
2035	40	135,510	7.81%	8,755	20,022
2036	41	126,071	7.81%	9,439	20,022
2037	42	115,895	7.81%	10,176	20,022
2038	43	104,924	7.81%	10,971	20,022
2039	44	93,096	7.81%	11,828	20,022
2040	45	80,345	7.81%	12,751	20,022
2041	46	66,598	7.81%	13,747	20,022
2042	47	51,777	7.81%	14,821	20,022
2043	48	35,798	7.81%	15,978	20,022
2044	49	18,572	7.81%	17,226	20,022
2045	50	0	7.81%	18,572	20,022
2046	51	0	0.00%	0	0
2047	52	0	0.00%	0	0

AMORTIZATION SCHEDULE-SALINITY				Repalce SCADA SYSTEM - Replace	
48,612		15	5,986	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996					
1997	1	46,940	8.875%	1,672	5,986
1998	2	45,119	8.875%	1,820	5,986
1999	3	43,137	8.875%	1,982	5,986
2000	4	40,980	8.875%	2,158	5,986
2001	5	38,630	8.875%	2,349	5,986
2002	6	36,072	8.875%	2,558	5,986
2003	7	33,287	8.875%	2,785	5,986
2004	8	30,255	8.875%	3,032	5,986
2005	9	26,954	8.875%	3,301	5,986
2006	10	23,360	8.875%	3,594	5,986
2007	11	19,447	8.875%	3,913	5,986
2008	12	15,187	8.875%	4,260	5,986
2009	13	10,548	8.875%	4,638	5,986
2010	14	5,498	8.875%	5,050	5,986
2011	15	0	8.875%	5,498	5,986
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	[illegible]
2047	51	0	0.000%	0	[illegible]

AMORTIZATION SCHEDULE-SALINITY				Repalce SCADA SYS - Add	
24,235		50	2,182	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RAT	PAYMENT	PAYMENT
1996					
1997	1	24,204	8.875%	31	2,182
1998	2	24,170	8.875%	34	2,182
1999	3	24,133	8.875%	37	2,182
2000	4	24,093	8.875%	40	2,182
2001	5	24,049	8.875%	44	2,182
2002	6	24,002	8.875%	48	2,182
2003	7	23,950	8.875%	52	2,182
2004	8	23,894	8.875%	56	2,182
2005	9	23,832	8.875%	61	2,182
2006	10	23,766	8.875%	67	2,182
2007	11	23,693	8.875%	73	2,182
2008	12	23,614	8.875%	79	2,182
2009	13	23,527	8.875%	86	2,182
2010	14	23,434	8.875%	94	2,182
2011	15	23,331	8.875%	102	2,182
2012	16	23,220	8.875%	111	2,182
2013	17	23,099	8.875%	121	2,182
2014	18	22,967	8.875%	132	2,182
2015	19	22,824	8.875%	144	2,182
2016	20	22,667	8.875%	156	2,182
2017	21	22,497	8.875%	170	2,182
2018	22	22,312	8.875%	185	2,182
2019	23	22,110	8.875%	202	2,182
2020	24	21,890	8.875%	220	2,182
2021	25	21,651	8.875%	239	2,182
2022	26	21,391	8.875%	260	2,182
2023	27	21,107	8.875%	284	2,182
2024	28	20,798	8.875%	309	2,182
2025	29	20,462	8.875%	336	2,182
2026	30	20,097	8.875%	366	2,182
2027	31	19,698	8.875%	398	2,182
2028	32	19,264	8.875%	434	2,182
2029	33	18,792	8.875%	472	2,182
2030	34	18,278	8.875%	514	2,182
2031	35	17,718	8.875%	560	2,182
2032	36	17,109	8.875%	609	2,182
2033	37	16,445	8.875%	664	2,182
2034	38	15,723	8.875%	722	2,182
2035	39	14,937	8.875%	787	2,182
2036	40	14,080	8.875%	856	2,182
2037	41	13,148	8.875%	932	2,182
2038	42	12,133	8.875%	1,015	2,182
2039	43	11,028	8.875%	1,105	2,182
2040	44	9,825	8.875%	1,203	2,182
2041	45	8,515	8.875%	1,310	2,182
2042	46	7,088	8.875%	1,426	2,182
2043	47	5,535	8.875%	1,553	2,182
2044	48	3,845	8.875%	1,691	2,182
2045	49	2,004	8.875%	1,841	2,182
2046	50	0	8.875%	2,004	2,182
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-SALINITY				PHX O&M Center-10 Yr. Plan		TOTAL	AMORTIZATION SCHEDULE-SALINITY				Mead Svc Center-Sch1		AMORTIZATION SCHEDULE-SALINITY				Mead Service Center -Sch1		TOTAL	TOTAL EXP
12,632		50	1,122	PRINCIPAL	TOTAL	PAID TO	23,958		50	1,916	RINCIPA	TOTAL	0		50	0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP	YEAR		UNPAID IN	INT. RATE	PAYMENT	PAYMENT	YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT	INTERTIE	SALINITY
1996						20,022	1996	1	23,913	7.810%	45	1,916	1996	1	0	8.500%	0	0	1,916	21,938
1997	1	12,615	8.750%	17	1,122	29,313	1997	2	23,865	7.810%	48	1,916	1997	2	0	8.500%	0	0	1,916	31,228
1998	2	12,597	8.750%	18	1,122	29,313	1998	3	23,814	7.810%	52	1,916	1998	3	0	8.500%	0	0	1,916	31,228
1999	3	12,577	8.750%	20	1,122	29,313	1999	4	23,758	7.810%	56	1,916	1999	4	0	8.500%	0	0	1,916	31,228
2000	4	12,555	6.750%	22	1,122	29,313	2000	5	23,697	7.810%	60	1,916	2000	5	0	8.500%	0	0	1,916	31,228
2001	5	12,532	6.750%	24	1,122	29,313	2001	6	23,632	7.810%	65	1,916	2001	6	0	8.500%	0	0	1,916	31,228
2002	6	12,506	8.750%	26	1,122	29,313	2002	7	23,562	7.810%	70	1,916	2002	7	0	8.500%	0	0	1,916	31,228
2003	7	12,478	8.750%	28	1,122	29,313	2003	8	23,487	7.810%	76	1,916	2003	8	0	8.500%	0	0	1,916	31,228
2004	8	12,447	8.750%	30	1,122	29,313	2004	9	23,405	7.810%	81	1,916	2004	9	0	8.500%	0	0	1,916	31,228
2005	9	12,414	8.750%	33	1,122	29,313	2005	10	23,318	7.810%	88	1,916	2005	10	0	8.500%	0	0	1,916	31,228
2006	10	12,378	6.750%	36	1,122	29,313	2006	11	23,223	7.810%	95	1,916	2006	11	0	8.500%	0	0	1,916	31,228
2007	11	12,339	8.750%	39	1,122	29,313	2007	12	23,121	7.810%	102	1,916	2007	12	0	8.500%	0	0	1,916	31,228
2008	12	12,296	8.750%	43	1,122	29,313	2008	13	23,011	7.810%	110	1,916	2008	13	0	8.500%	0	0	1,916	31,228
2009	13	12,250	8.750%	46	1,122	29,313	2009	14	22,893	7.810%	119	1,916	2009	14	0	8.500%	0	0	1,916	31,228
2010	14	12,200	8.750%	50	1,122	29,313	2010	15	22,765	7.810%	128	1,916	2010	15	0	8.500%	0	0	1,916	31,228
2011	15	12,145	8.750%	55	1,122	29,313	2011	16	22,627	7.810%	138	1,916	2011	16	0	8.500%	0	0	1,916	31,228
2012	16	12,085	8.750%	60	1,122	23,326	2012	17	22,478	7.810%	149	1,916	2012	17	0	8.500%	0	0	1,916	25,242
2013	17	12,021	8.750%	65	1,122	23,326	2013	18	22,318	7.810%	160	1,916	2013	18	0	8.500%	0	0	1,916	25,242
2014	18	11,950	8.750%	70	1,122	23,326	2014	19	22,146	7.810%	173	1,916	2014	19	0	8.500%	0	0	1,916	25,242
2015	19	11,874	8.750%	77	1,122	23,326	2015	20	21,959	7.810%	186	1,916	2015	20	0	8.500%	0	0	1,916	25,242
2016	20	11,790	8.750%	83	1,122	23,326	2016	21	21,759	7.810%	201	1,916	2016	21	0	8.500%	0	0	1,916	25,242
2017	21	11,700	8.750%	91	1,122	23,326	2017	22	21,542	7.810%	216	1,916	2017	22	0	8.500%	0	0	1,916	25,242
2018	22	11,601	8.750%	99	1,122	23,326	2018	23	21,309	7.810%	233	1,916	2018	23	0	8.500%	0	0	1,916	25,242
2019	23	11,494	8.750%	107	1,122	23,326	2019	24	21,057	7.810%	252	1,916	2019	24	0	8.500%	0	0	1,916	25,242
2020	24	11,377	8.750%	117	1,122	23,326	2020	25	20,786	7.810%	271	1,916	2020	25	0	8.500%	0	0	1,916	25,242
2021	25	11,251	8.750%	127	1,122	23,326	2021	26	20,494	7.810%	292	1,916	2021	26	0	8.500%	0	0	1,916	25,242
2022	26	11,113	8.750%	138	1,122	23,326	2022	27	20,179	7.810%	315	1,916	2022	27	0	8.500%	0.	0	1,916	25,242
2023	27	10,963	8.750%	150	1,122	23,326	2023	28	19,839	7.810%	340	1,916	2023	28	0	8.500%	0	0	1,916	25,242
2024	28	10,800	8.750%	163	1,122	23,326	2024	29	19,473	7.810%	366	1,916	2024	29	0	8.500%	0	0	1,916	25,242
2025	29	10,623	8.750%	177	1,122	23,326	2025	30	19,078	7.810%	395	1,916	2025	30	0	8.500%	0	0	1,916	25,242
2026	30	10,430	8.750%	193	1,122	23,326	2026	31	18,652	7.810%	426	1,916	2026	31	0	8.500%	0	0	1,916	25,242
2027	31	10,220	6.750%	210	1,122	23,326	2027	32	18,193	7.810%	459	1,916	2027	32	0	8.500%	0	0	1,916	25,242
2028	32	9,992	8.750%	228	1,122	23,326	2028	33	17,698	7.810%	495	1,916	2028	33	0	8.500%	0	0	1,916	25,242
2029	33	9,744	8.750%	248	1,122	23,326	2029	34	17,165	7.810%	533	1,916	2029	34	0	8.500%	0	0	1,916	25,242
2030	34	9,474	8.750%	270	1,122	23,326	2030	35	16,590	7.810%	575	1,916	2030	35	0	8.500%	0	0	1,916	25,242
2031	35	9,181	8.750%	293	1,122	23,326	2031	36	15,970	7.810%	620	1,916	2031	36	0	8.500%	0	0	1,916	25,242
2032	36	8,862	8.750%	319	1,122	23,326	2032	37	15,301	7.810%	669	1,916	2032	37	0	8.500%	0	0	1,916	25,242
2033	37	8,516	8.750%	347	1,122	23,326	2033	38	14,580	7.810%	721	1,916	2033	38	0	8.500%	0	0	1,916	25,242
2034	38	8,138	8.750%	377	1,122	23,326	2034	39	13,803	7.810%	777	1,916	2034	39	0	8.500%	0	0	1,916	25,242
2035	39	7,728	8.750%	410	1,122	23,326	2035	40	12,966	7.810%	838	1,916	2035	40	0	8.500%	0	0	1,916	25,242
2036	40	7,282	8.750%	446	1,122	23,326	2036	41	12,062	7.810%	903	1,916	2036	41	0	8.500%	0	0	1,916	25,242
2037	41	6,797	8.750%	485	1,122	23,326	2037	42	11,089	7.810%	974	1,916	2037	42	0	8.500%	0	0	1,916	25,242
2038	42	6,270	8.750%	528	1,122	23,326	2038	43	10,039	7.810%	1,050	1,916	2038	43	0	8.500%	0	0	1,916	25,242
2039	43	5,696	8.750%	574	1,122	23,326	2039	44	8,907	7.810%	1,132	1,916	2039	44	0	8.500%	0	0	1,916	25,242
2040	44	5,072	8.750%	624	1,122	23,326	2040	45	7,687	7.810%	1,220	1,916	2040	45	0	8.500%	0	0	1,916	25,242
2041	45	4,394	8.750%	678	1,122	23,326	2041	46	6,372	7.810%	1,315	1,916	2041	46	0	8.500%	0	0	1,916	25,242
2042	46	3,656	8.750%	738	1,122	23,326	2042	47	4,954	7.810%	1,418	1,916	2042	47	0	8.500%	0	0	1,916	25,242
2043	47	2,853	8.750%	802	1,122	23,326	2043	48	3,425	7.810%	1,529	1,916	2043	48	0	8.500%	0	0	1,916	25,242
2044	48	1,981	8.750%	873	1,122	23,326	2044	49	1,777	7.810%	1,648	1,916	2044	49	0	8.500%	0	0	1,916	25,242
2045	49	1,032	8.750%	949	1,122	23,326	2045	50	0	7.810%	1,777	1,916	2045	50	0	8.500%	0	0	1,916	25,242
2046	50	[illegible]	8.750%	1,032	1,122	3,304	2046	51	0	0.000%	[illegible]	0	2046	51	0	0.000%	0	0	0	3,304
2047	51	[illegible]	0.000%	0	0	[illegible]	2047	52	0	0.000%		0	2047	52	0	0.000%	0	0	0	0
						1,256,115													95,787	1,351,901

AMORTIZATION SCHEDULE FOR CRFW&LS				Phoenix Service Center -plant	
253,625	50		20,280	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996	1	253,153	7.81%	472	20,280
1997	2	252,644	7.81%	509	20,280
1998	3	252,095	7.81%	549	20,280
1999	4	251,503	7.81%	592	20,280
2000	5	250,866	7.81%	638	20,280
2001	6	250,178	7.81%	688	20,280
2002	7	249,436	7.81%	741	20,280
2003	8	248,637	7.81%	799	20,280
2004	9	247,775	7.81%	862	20,280
2005	10	246,846	7.81%	929	20,280
2006	11	245,845	7.81%	1,002	20,280
2007	12	244,765	7.81%	1,080	20,280
2008	13	243,600	7.81%	1,164	20,280
2009	14	242,345	7.81%	1,255	20,280
2010	15	240,992	7.81%	1,353	20,280
2011	18	239,533	7.81%	1,459	20,280
2012	17	237,961	7.81%	1,573	20,280
2013	18	236,265	7.81%	1,696	20,280
2014	19	234,437	7.81%	1,828	20,280
2015	20	232,466	7.81%	1,971	20,280
2016	21	230,341	7.81%	2,125	20,280
2017	22	228,051	7.81%	2,291	20,280
2018	23	225,581	7.81%	2,470	20,280
2019	24	222,919	7.81%	2,662	20,280
2020	25	220,048	7.81%	2,870	20,280
2021	26	216,954	7.81%	3,095	20,280
2022	27	213,617	7.81%	3,336	20,280
2023	28	210,021	7.81%	3,597	20,280
2024	29	206,143	7.81%	3,878	20,280
2025	30	201,962	7.81%	4,181	20,280
2026	31	197,455	7.81%	4,507	20,280
2027	32	192,596	7.81%	4,859	20,280
2028	33	187,358	7.81%	5,239	20,280
2029	34	181,710	7.81%	5,648	20,280
2030	35	175,621	7.81%	6,089	20,280
2031	36	169,057	7.81%	6,564	20,280
2032	37	161,980	7.81%	7,077	20,280
2033	38	154,350	7.81%	7,630	20,280
2034	39	146,125	7.81%	8,226	20,280
2035	40	137,257	7.81%	8,868	20,280
2036	41	127,696	7.81%	9,561	20,280
2037	42	117,389	7.81%	10,307	20,280
2038	43	106,277	7.81%	11,112	20,280
2039	44	94,296	7.81%	11,980	20,280
2040	45	81,381	7.81%	12,916	20,280
2041	46	67,456	7.81%	13,925	20,280
2042	47	52,444	7.81%	15,012	20,280
2043	48	36,260	7.81%	16,184	20,280
2044	49	18,811	7.81%	17,448	20,280
2045	50	0	7.81%	18,811	20,280
2046	51	0	0.00%	0	0
2047	52	0	0.00%	0	0

AMORTIZATION SCHEDULE-CRFW&LS				Repalce SCADA SYSTEM - Replace	
18,394	15		2,265	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996					
1997	1	17,761	8.875%	633	2,265
1998	2	17,072	8.875%	689	2,265
1999	3	16,322	8.875%	750	2,265
2000	4	15,506	8.875%	816	2,265
2001	5	14,617	8.875%	889	2,265
2002	6	13,649	8.875%	968	2,265
2003	7	12,595	8.875%	1,054	2,265
2004	8	11,448	8.875%	1,147	2,265
2005	9	10,199	8.875%	1,249	2,265
2006	10	8,839	8.875%	1,360	2,265
2007	11	7,358	8.875%	1,481	2,265
2008	12	5,746	8.875%	1,612	2,265
2009	13	3,991	8.875%	1,755	2,265
2010	14	2,080	8.875%	1,911	2,265
2011	15	0	0.000%	0	0
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	0
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-CRFW&LS				Repalce SCADA SYS - Add	
9,170	50		826	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT RAT	PAYMENT	PAYMENT
1996					
1997	1	9,158	8.875%	12	826
1998	2	9,145	8.875%	13	826
1999	3	9,131	8.875%	14	826
2000	4	9,116	8.875%	15	826
2001	5	9,100	8.875%	17	826
2002	6	9,082	8.875%	18	826
2003	7	9,062	8.875%	20	826
2004	8	9,041	8.875%	21	826
2005	9	9,018	8.875%	23	826
2006	10	8,992	8.875%	25	826
2007	11	8,965	8.875%	28	826
2008	12	8,935	8.875%	30	826
2009	13	8,902	8.875%	33	826
2010	14	8,867	8.875%	36	826
2011	15	8,828	8.875%	39	826
2012	16	8,786	8.875%	42	826
2013	17	8,740	8.875%	46	826
2014	18	8,690	8.875%	50	826
2015	19	8,636	8.875%	54	826
2016	20	8,577	8.875%	59	826
2017	21	8,512	8.875%	64	826
2018	22	8,442	8.875%	70	826
2019	23	8,366	8.875%	76	826
2020	24	8,283	8.875%	83	826
2021	25	8,192	8.875%	90	826
2022	26	8,094	8.875%	99	826
2023	27	7,986	8.875%	107	826
2024	28	7,870	8.875%	117	826
2025	29	7,743	8.875%	127	826
2026	30	7,604	8.875%	138	826
2027	31	7,453	8.875%	151	826
2028	32	7,289	8.875%	164	826
2029	33	7,111	8.875%	179	826
2030	34	6,916	8.875%	195	826
2031	35	6,704	8.875%	212	826
2032	36	6,474	8.875%	231	826
2033	37	6,223	8.875%	251	826
2034	38	5,949	8.875%	273	826
2035	39	5,652	8.875%	298	826
2036	40	5,328	8.875%	324	826
2037	41	4,975	8.875%	353	826
2038	42	4,591	8.875%	384	826
2039	43	4,173	8.875%	418	826
2040	44	3,717	8.875%	455	826
2041	45	3,222	8.875%	496	826
2042	46	2,682	8.875%	540	826
2043	47	2,094	8.875%	588	826
2044	48	1,455	8.875%	640	826
2045	49	758	8.875%	696	826
2046	50	0	8.875%	758	826
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-CRFW&LS				PHX O&M Center-10 Yr. Plan		TOTAL
12,795		50	1,137	PRINCIPAL	TOTAL	PAID TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP
1996						20,280
1997	1	12,778	8.750%	17	1,137	24,508
1998	2	12,759	8.750%	19	1,137	24,508
1999	3	12,739	8.750%	20	1,137	24,508
2000	4	12,717	8.750%	22	1,137	24,508
2001	5	12,693	8.750%	24	1,137	24,508
2002	6	12,667	8.750%	26	1,137	24,508
2003	7	12,639	8.750%	28	1,137	24,508
2004	8	12,608	8.750%	31	1,137	24,508
2005	9	12,574	8.750%	34	1,137	24,508
2006	10	12,538	8.750%	36	1,137	24,508
2007	11	12,498	8.750%	40	1,137	24,508
2008	12	12,455	8.750%	43	1,137	24,508
2009	13	12,408	8.750%	47	1,137	24,508
2010	14	12,357	8.750%	51	1,137	24,508
2011	15	12,302	8.750%	55	1,137	22,243
2012	16	12,241	8.750%	60	1,137	22,243
2013	17	12,176	8.750%	66	1,137	22,243
2014	18	12,104	8.750%	71	1,137	22,243
2015	19	12,027	8.750%	78	1,137	22,243
2016	20	11,942	8.750%	84	1,137	22,243
2017	21	11,850	8.750%	92	1,137	22,243
2018	22	11,751	8.750%	100	1,137	22,243
2019	23	11,642	8.750%	109	1,137	22,243
2020	24	11,524	8.750%	118	1,137	22,243
2021	25	11,396	8.750%	128	1,137	22,243
2022	26	11,256	8.750%	140	1,137	22,243
2023	27	11,104	8.750%	152	1,137	22,243
2024	28	10,939	8.750%	165	1,137	22,243
2025	29	10,759	8.750%	180	1,137	22,243
2026	30	10,564	8.750%	195	1,137	22,243
2027	31	10,352	8.750%	212	1,137	22,243
2028	32	10,121	8.750%	231	1,137	22,243
2029	33	9,870	8.750%	251	1,137	22,243
2030	34	9,597	8.750%	273	1,137	22,243
2031	35	9,300	8.750%	297	1,137	22,243
2032	36	8,977	8.750%	323	1,137	22,243
2033	37	8,625	8.750%	351	1,137	22,243
2034	38	8,243	8.750%	382	1,137	22,243
2035	39	7,828	8.750%	415	1,137	22,243
2036	40	7,376	8.750%	452	1,137	22,243
2037	41	6,885	8.750%	491	1,137	22,243
2038	42	6,350	8.750%	534	1,137	22,243
2039	43	5,769	8.750%	581	1,137	22,243
2040	44	5,137	8.750%	632	1,137	22,243
2041	45	4,450	8.750%	687	1,137	22,243
2042	46	3,703	8.750%	747	1,137	22,243
2043	47	2,890	8.750%	813	1,137	22,243
2044	48	2,006	8.750%	884	1,137	22,243
2045	49	1,045	8.750%	961	1,137	22,243
2046	50	(0)	8.750%	1,045	1,137	1,962
2047	51	0	0.000%	0	0	0
						1,143,844

AMORTIZATION SCHEDULE-CRFW&LS				Mead Svc Center-Sch1	
24,267		50	1,940	RINCIPA	TOTAL
YEAR		UNPAID IN	INT. RATE	PAYMENT	PAYMENT
1996	1	24,222	7.810%	45	1,940
1997	2	24,173	7.810%	49	1,940
1998	3	24,121	7.810%	53	1,940
1999	4	24,064	7.810%	57	1,940
2000	5	24,003	7.810%	61	1,940
2001	6	23,937	7.810%	66	1,940
2002	7	23,866	7.810%	71	1,940
2003	8	23,790	7.810%	76	1,940
2004	9	23,707	7.810%	82	1,940
2005	10	23,618	7.810%	89	1,940
2006	11	23,522	7.810%	96	1,940
2007	12	23,419	7.810%	103	1,940
2008	13	23,308	7.810%	111	1,940
2009	14	23,188	7.810%	120	1,940
2010	15	23,058	7.810%	129	1,940
2011	16	22,919	7.810%	140	1,940
2012	17	22,768	7.810%	150	1,940
2013	18	22,606	7.810%	162	1,940
2014	19	22,431	7.810%	175	1,940
2015	20	22,242	7.810%	189	1,940
2016	21	22,039	7.810%	203	1,940
2017	22	21,820	7.810%	219	1,940
2018	23	21,584	7.810%	236	1,940
2019	24	21,329	7.810%	255	1,940
2020	25	21,054	7.810%	275	1,940
2021	26	20,758	7.810%	296	1,940
2022	27	20,439	7.810%	319	1,940
2023	28	20,095	7.810%	344	1,940
2024	29	19,724	7.810%	371	1,940
2025	30	19,324	7.810%	400	1,940
2026	31	18,893	7.810%	431	1,940
2027	32	18,428	7.810%	465	1,940
2028	33	17,926	7.810%	501	1,940
2029	34	17,386	7.810%	540	1,940
2030	35	16,803	7.810%	583	1,940
2031	36	16,175	7.810%	628	1,940
2032	37	15,498	7.810%	677	1,940
2033	38	14,768	7.810%	730	1,940
2034	39	13,981	7.810%	787	1,940
2035	40	13,133	7.810%	848	1,940
2036	41	12,218	7.810%	915	1,940
2037	42	11,232	7.810%	986	1,940
2038	43	10,169	7.810%	1,063	1,940
2039	44	9,022	7.810%	1,146	1,940
2040	45	7,787	7.810%	1,236	1,940
2041	46	6,454	7.810%	1,332	1,940
2042	47	5,018	7.810%	1,436	1,940
2043	48	3,469	7.810%	1,549	1,940
2044	49	1,800	7.810%	1,669	1,940
2045	50	0	7.810%	1,800	1,940
2046	51	0	0.000%	0	0
2047	52	0	0.000%	0	0

AMORTIZATION SCHEDULE-CRFW&LS				Mead Service Center -Sch1		TOTAL	TOTAL EXP
0		50	0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	INTERTIE	CRFW&LS
1996	1	0	8.500%	0	0	1,940	22,221
1997	2	0	8.500%	0	0	1,940	26,448
1998	3	0	8.500%	0	0	1,940	26,448
1999	4	0	8.500%	0	0	1,940	26,448
2000	5	0	8.500%	0	0	1,940	26,448
2001	6	0	8.500%	0	0	1,940	26,448
2002	7	0	8.500%	0	0	1,940	26,448
2003	8	0	8.500%	0	0	1,940	26,448
2004	9	0	8.500%	0	0	1,940	26,448
2005	10	0	8.500%	0	0	1,940	26,448
2006	11	0	8.500%	0	0	1,940	26,448
2007	12	0	8.500%	0	0	1,940	26,448
2008	13	0	8.500%	0	0	1,940	26,448
2009	14	0	8.500%	0	0	1,940	26,448
2010	15	0	8.500%	0	0	1,940	26,448
2011	16	0	8.500%	0	0	1,940	24,183
2012	17	0	8.500%	0	0	1,940	24,183
2013	18	0	8.500%	0	0	1,940	24,183
2014	19	0	8.500%	0	0	1,940	24,183
2015	20	0	8.500%	0	0	1,940	24,183
2016	21	0	8.500%	0	0	1,940	24,183
2017	22	0	8.500%	0	0	1,940	24,183
2018	23	0	8.500%	0	0	1,940	24,183
2019	24	0	8.500%	0	0	1,940	24,183
2020	25	0	8.500%	0	0	1,940	24,183
2021	26	0	8.500%	0	0	1,940	24,183
2022	27	0	8.500%	0	0	1,940	24,183
2023	28	0	8.500%	0	0	1,940	24,183
2024	29	0	8.500%	0	0	1,940	24,183
2025	30	0	8.500%	0	0	1,940	24,183
2026	31	0	8.500%	0	0	1,940	24,183
2027	32	0	8.500%	0	0	1,940	24,183
2028	33	0	8.500%	0	0	1,940	24,183
2029	34	0	8.500%	0	0	1,940	24,183
2030	35	0	8.500%	0	0	1,940	24,183
2031	36	0	8.500%	0	0	1,940	24,183
2032	37	0	8.500%	0	0	1,940	24,183
2033	38	0	8.500%	0	0	1,940	24,183
2034	39	0	8.500%	0	0	1,940	24,183
2035	40	0	8.500%	0	0	1,940	24,183
2036	41	0	8.500%	0	0	1,940	24,183
2037	42	0	8.500%	0	0	1,940	24,183
2038	43	0	8.500%	0	0	1,940	24,183
2039	44	0	8.500%	0	0	1,940	24,183
2040	45	0	8.500%	0	0	1,940	24,183
2041	46	0	8.500%	0	0	1,940	24,183
2042	47	0	8.500%	0	0	1,940	24,183
2043	48	0	8.500%	0	0	1,940	24,183
2044	49	0	8.500%	0	0	1,940	24,183
2045	50	0	8.500%	0	0	1,940	24,183
2046	51	0	0.000%	0	0	0	1,962
2047	52	0	0.000%	0	0	0	0
						97,021	1,240,865

AMORTIZATION SCHEDULE FOR INTERTIE				Phoenix Service Center -Sch1	
3,473,413	50		277,740	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT
1996	1	3,466,946	7.81%	6,467	277,740
1997	2	3,459,975	7.81%	6,972	277,740
1998	3	3,452,458	7.81%	7,516	277,740
1999	4	3,444,355	7.81%	8,103	277,740
2000	5	3,435,619	7.81%	8,736	277,740
2001	6	3,426,200	7.81%	9,419	277,740
2002	7	3,416,046	7.81%	10,154	277,740
2003	8	3,405,099	7.81%	10,947	277,740
2004	9	3,393,297	7.81%	11,802	277,740
2005	10	3,380,573	7.81%	12,724	277,740
2006	11	3,366,856	7.81%	13,718	277,740
2007	12	3,352,067	7.81%	14,789	277,740
2008	13	3,336,123	7.81%	15,944	277,740
2009	14	3,318,934	7.81%	17,189	277,740
2010	15	3,300,402	7.81%	18,532	277,740
2011	16	3,280,423	7.81%	19,979	277,740
2012	17	3,258,884	7.81%	21,539	277,740
2013	18	3,235,662	7.81%	23,222	277,740
2014	19	3,210,627	7.81%	25,035	277,740
2015	20	3,183,637	7.81%	26,990	277,740
2016	21	3,154,538	7.81%	29,098	277,740
2017	22	3,123,168	7.81%	31,371	277,740
2018	23	3,089,347	7.81%	33,821	277,740
2019	24	3,052,884	7.81%	36,462	277,740
2020	25	3,013,574	7.81%	39,310	277,740
2021	26	2,971,194	7.81%	42,380	277,740
2022	27	2,925,504	7.81%	45,690	277,740
2023	28	2,876,246	7.81%	49,258	277,740
2024	29	2,823,140	7.81%	53,106	277,740
2025	30	2,765,887	7.81%	57,253	277,740
2026	31	2,704,162	7.81%	61,725	277,740
2027	32	2,637,617	7.81%	66,545	277,740
2028	33	2,565,875	7.81%	71,742	277,740
2029	34	2,488,529	7.81%	77,346	277,740
2030	35	2,405,143	7.81%	83,386	277,740
2031	36	2,315,244	7.81%	89,899	277,740
2032	37	2,218,324	7.81%	96,920	277,740
2033	38	2,113,835	7.81%	104,489	277,740
2034	39	2,001,186	7.81%	112,650	277,740
2035	40	1,879,738	7.81%	121,448	277,740
2036	41	1,748,805	7.81%	130,933	277,740
2037	42	1,607,646	7.81%	141,159	277,740
2038	43	1,455,463	7.81%	152,183	277,740
2039	44	1,291,394	7.81%	164,069	277,740
2040	45	1,114,512	7.81%	176,882	277,740
2041	46	923,815	7.81%	190,697	277,740
2042	47	718,225	7.81%	205,590	277,740
2043	48	496,578	7.81%	221,647	277,740
2044	49	257,620	7.81%	238,958	277,740
2045	50	(0)	7.81%	257,620	277,740
2046	51	0	0.00%	0	0
2047	52	0	0.00%	0	0

AMORTIZATION SCHEDULE-INTERTIE				Repalce SCADA SYSTEM - Replace	
1,591,048	15		195,929	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT RATE	PAYMENT	PAYMENT
1996					
1997	1	1,536,325	8.875%	54,724	195,929
1998	2	1,476,744	8.875%	59,581	195,929
1999	3	1,411,875	8.875%	64,868	195,929
2000	4	1,341,250	8.875%	70,626	195,929
2001	5	1,264,356	8.875%	76,894	195,929
2002	6	1,180,638	8.875%	83,718	195,929
2003	7	1,089,491	8.875%	91,148	195,929
2004	8	990,253	8.875%	99,237	195,929
2005	9	882,209	8.875%	108,044	195,929
2006	10	764,576	8.875%	117,633	195,929
2007	11	636,502	8.875%	128,073	195,929
2008	12	497,062	8.875%	139,440	195,929
2009	13	345,247	8.875%	151,815	195,929
2010	14	179,958	8.875%	165,289	195,929
2011	15	0	8.875%	179,958	195,929
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	0
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-INTERTIE				Repalce SCADA SYS - Add	
793,203	50		71,414	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RAT	PAYMENT	PAYMENT
1996					
1997	1	792,186	8.875%	1,017	71,414
1998	2	791,079	8.875%	1,107	71,414
1999	3	789,873	8.875%	1,206	71,414
2000	4	788,560	8.875%	1,313	71,414
2001	5	787,131	8.875%	1,429	71,414
2002	6	785,575	8.875%	1,556	71,414
2003	7	783,881	8.875%	1,694	71,414
2004	8	782,037	8.875%	1,844	71,414
2005	9	780,028	8.875%	2,008	71,414
2006	10	777,842	8.875%	2,186	71,414
2007	11	775,462	8.875%	2,380	71,414
2008	12	772,870	8.875%	2,592	71,414
2009	13	770,048	8.875%	2,822	71,414
2010	14	766,976	8.875%	3,072	71,414
2011	15	763,631	8.875%	3,345	71,414
2012	16	759,990	8.875%	3,642	71,414
2013	17	756,025	8.875%	3,965	71,414
2014	18	751,708	8.875%	4,317	71,414
2015	19	747,008	8.875%	4,700	71,414
2016	20	741,891	8.875%	5,117	71,414
2017	21	736,320	8.875%	5,571	71,414
2018	22	730,255	8.875%	6,065	71,414
2019	23	723,651	8.875%	6,604	71,414
2020	24	716,461	8.875%	7,190	71,414
2021	25	708,633	8.875%	7,828	71,414
2022	26	700,110	8.875%	8,523	71,414
2023	27	690,831	8.875%	9,279	71,414
2024	28	680,729	8.875%	10,103	71,414
2025	29	669,729	8.875%	10,999	71,414
2026	30	657,754	8.875%	11,975	71,414
2027	31	644,716	8.875%	13,038	71,414
2028	32	630,520	8.875%	14,195	71,414
2029	33	615,065	8.875%	15,455	71,414
2030	34	598,238	8.875%	16,827	71,414
2031	35	579,918	8.875%	18,320	71,414
2032	36	559,972	8.875%	19,946	71,414
2033	37	538,255	8.875%	21,716	71,414
2034	38	514,611	8.875%	23,644	71,414
2035	39	488,869	8.875%	25,742	71,414
2036	40	460,842	8.875%	28,027	71,414
2037	41	430,328	8.875%	30,514	71,414
2038	42	397,106	8.875%	33,222	71,414
2039	43	360,935	8.875%	36,171	71,414
2040	44	321,554	8.875%	39,381	71,414
2041	45	278,678	8.875%	42,876	71,414
2042	46	231,997	8.875%	46,681	71,414
2043	47	181,173	8.875%	50,824	71,414
2044	48	125,838	8.875%	55,335	71,414
2045	49	65,593	8.875%	60,246	71,414
2046	50	0	8.875%	65,593	71,414
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE-INTERTIE				PHX Srv. Center 02-10 Yr. Plan		TOTAL	TOTAL EXP.
175,231		50	15,568	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP	INTERTIE
1996						277,740	277,740
1997	1	174,996	8.750%	235	15,568	560,651	560,651
1998	2	174,741	8.750%	255	15,568	560,651	560,651
1999	3	174,463	8.750%	278	15,568	560,651	560,651
2000	4	174,161	8.750%	302	15,568	560,651	560,651
2001	5	173,832	8.750%	328	15,568	560,651	560,651
2002	6	173,475	8.750%	357	15,568	560,651	560,651
2003	7	173,087	8.750%	388	15,568	560,651	560,651
2004	8	172,664	8.750%	422	15,568	560,651	560,651
2005	9	172,205	8.750%	459	15,568	560,651	560,651
2006	10	171,705	8.750%	500	15,568	560,651	560,651
2007	11	171,162	8.750%	543	15,568	560,651	560,651
2008	12	170,571	8.750%	591	15,568	560,651	560,651
2009	13	169,929	8.750%	643	15,568	560,651	560,651
2010	14	169,230	8.750%	699	15,568	560,651	560,651
2011	15	168,470	8.750%	760	15,568	560,651	560,651
2012	16	167,643	8.750%	826	15,568	364,722	364,722
2013	17	166,745	8.750%	899	15,568	364,722	364,722
2014	18	165,767	8.750%	977	15,568	364,722	364,722
2015	19	164,705	8.750%	1,063	15,568	364,722	364,722
2016	20	163,549	8.750%	1,156	15,568	364,722	364,722
2017	21	162,292	8.750%	1,257	15,568	364,722	364,722
2018	22	160,925	8.750%	1,367	15,568	364,722	364,722
2019	23	159,438	8.750%	1,487	15,568	364,722	364,722
2020	24	157,821	8.750%	1,617	15,568	364,722	364,722
2021	25	156,063	8.750%	1,758	15,568	364,722	364,722
2022	26	154,151	8.750%	1,912	15,568	364,722	364,722
2023	27	152,072	8.750%	2,079	15,568	364,722	364,722
2024	28	149,811	8.750%	2,261	15,568	364,722	364,722
2025	29	147,351	8.750%	2,459	15,568	364,722	364,722
2026	30	144,677	8.750%	2,674	15,568	364,722	364,722
2027	31	141,769	8.750%	2,908	15,568	364,722	364,722
2028	32	138,606	8.750%	3,163	15,568	364,722	364,722
2029	33	135,167	8.750%	3,439	15,568	364,722	364,722
2030	34	131,426	8.750%	3,740	15,568	364,722	364,722
2031	35	127,359	8.750%	4,068	15,568	364,722	364,722
2032	36	122,935	8.750%	4,424	15,568	364,722	364,722
2033	37	118,124	8.750%	4,811	15,568	364,722	364,722
2034	38	112,893	8.750%	5,232	15,568	364,722	364,722
2035	39	107,203	8.750%	5,689	15,568	364,722	364,722
2036	40	101,016	8.750%	6,187	15,568	364,722	364,722
2037	41	94,287	8.750%	6,729	15,568	364,722	364,722
2038	42	86,970	8.750%	7,317	15,568	364,722	364,722
2039	43	79,012	8.750%	7,956	15,568	364,722	364,722
2040	44	70,358	8.750%	8,654	15,568	364,722	364,722
2041	45	60,947	8.750%	9,411	15,568	364,722	364,722
2042	46	50,712	8.750%	10,235	15,568	364,722	364,722
2043	47	39,582	8.750%	11,130	15,568	364,722	364,722
2044	48	27,478	8.750%	12,104	15,568	364,722	364,722
2045	49	14,315	8.750%	13,163	15,568	364,722	364,722
2046	50	0	8.750%	14,315	15,568	86,981	86,981
2047	51	0	0.000%	0	0	0	0
						21,175,030	21,175,030

AMORTIZATION SCHEDULE FOR CRSP				Phoenix Srv. Center -Sch1	
2,604,788		50	208,284	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT
1996	1	2,599,939	7.81%	4,850	208,284
1997	2	2,594,710	7.81%	5,228	208,284
1998	3	2,589,074	7.81%	5,637	208,284
1999	4	2,582,997	7.81%	6,077	208,284
2000	5	2,576,445	7.81%	6,551	208,284
2001	6	2,569,382	7.81%	7,063	208,284
2002	7	2,561,767	7.81%	7,615	208,284
2003	8	2,553,558	7.81%	8,209	208,284
2004	9	2,544,707	7.81%	8,851	208,284
2005	10	2,535,165	7.81%	9,542	208,284
2006	11	2,524,878	7.81%	10,287	208,284
2007	12	2,513,788	7.81%	11,091	208,284
2008	13	2,501,831	7.81%	11,957	208,284
2009	14	2,488,940	7.81%	12,891	208,284
2010	15	2,475,043	7.81%	13,897	208,284
2011	16	2,460,061	7.81%	14,983	208,284
2012	17	2,443,908	7.81%	16,153	208,284
2013	18	2,426,493	7.81%	17,414	208,284
2014	19	2,407,719	7.81%	18,774	208,284
2015	20	2,387,478	7.81%	20,241	208,284
2016	21	2,365,657	7.81%	21,821	208,284
2017	22	2,342,131	7.81%	23,526	208,284
2018	23	2,316,768	7.81%	25,363	208,284
2019	24	2,289,424	7.81%	27,344	208,284
2020	25	2,259,945	7.81%	29,479	208,284
2021	26	2,228,163	7.81%	31,782	208,284
2022	27	2,193,899	7.81%	34,264	208,284
2023	28	2,156,959	7.81%	36,940	208,284
2024	29	2,117,134	7.81%	39,825	208,284
2025	30	2,074,199	7.81%	42,935	208,284
2026	31	2,027,910	7.81%	46,289	208,284
2027	32	1,978,006	7.81%	49,904	208,284
2028	33	1,924,205	7.81%	53,801	208,284
2029	34	1,866,202	7.81%	58,003	208,284
2030	35	1,803,669	7.81%	62,533	208,284
2031	36	1,736,252	7.81%	67,417	208,284
2032	37	1,663,570	7.81%	72,682	208,284
2033	38	1,585,211	7.81%	78,359	208,284
2034	39	1,500,733	7.81%	84,479	208,284
2035	40	1,409,656	7.81%	91,076	208,284
2036	41	1,311,467	7.81%	98,189	208,284
2037	42	1,205,609	7.81%	105,858	208,284
2038	43	1,091,483	7.81%	114,125	208,284
2039	44	968,445	7.81%	123,039	208,284
2040	45	835,797	7.81%	132,648	208,284
2041	46	692,789	7.81%	143,008	208,284
2042	47	538,612	7.81%	154,177	208,284
2043	48	372,394	7.81%	166,218	208,284
2044	49	193,195	7.81%	179,200	208,284
2045	50	0	7.81%	193,195	208,284
2046	51	0	0.00%	0	0
20[illegible]7	52	0	0.00%	0	0

AMORTIZATION SCHEDULE FOR CRSP				Repalce SCADA SYSTEM - Replace	
652,974		15	80,410	PRINCIPAL	TOTAL
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT
1996					
1997	1	630,515	8.875%	22,459	80,410
1998	2	606,063	8.875%	24,452	80,410
1999	3	579,440	8.875%	26,622	80,410
2000	4	550,455	8.875%	28,985	80,410
2001	5	518,898	8.875%	31,557	80,410
2002	6	484,539	8.875%	34,358	80,410
2003	7	447,132	8.875%	37,407	80,410
2004	8	406,405	8.875%	40,727	80,410
2005	9	362,063	8.875%	44,342	80,410
2006	10	313,785	8.875%	48,277	80,410
2007	11	261,223	8.875%	52,562	80,410
2008	12	203,997	8.875%	57,227	80,410
2009	13	141,691	8.875%	62,306	80,410
2010	14	73,856	8.875%	67,835	80,410
2011	15	0	8.875%	73,856	80,410
2012	16	0	0.000%	0	0
2013	17	0	0.000%	0	0
2014	18	0	0.000%	0	0
2015	19	0	0.000%	0	0
2016	20	0	0.000%	0	0
2017	21	0	0.000%	0	0
2018	22	0	0.000%	0	0
2019	23	0	0.000%	0	0
2020	24	0	0.000%	0	0
2021	25	0	0.000%	0	0
2022	26	0	0.000%	0	0
2023	27	0	0.000%	0	0
2024	28	0	0.000%	0	0
2025	29	0	0.000%	0	0
2026	30	0	0.000%	0	0
2027	31	0	0.000%	0	0
2028	32	0	0.000%	0	0
2029	33	0	0.000%	0	0
2030	34	0	0.000%	0	0
2031	35	0	0.000%	0	0
2032	36	0	0.000%	0	0
2033	37	0	0.000%	0	0
2034	38	0	0.000%	0	0
2035	39	0	0.000%	0	0
2036	40	0	0.000%	0	0
2037	41	0	0.000%	0	0
2038	42	0	0.000%	0	0
2039	43	0	0.000%	0	0
2040	44	0	0.000%	0	0
2041	45	0	0.000%	0	0
2042	46	0	0.000%	0	0
2043	47	0	0.000%	0	0
2044	48	0	0.000%	0	0
2045	49	0	0.000%	0	0
2046	50	0	0.000%	0	0
2047	51	0	[illegible]	0	0

AMORTIZATION SCHEDULE FOR CRSP				Repalce SCADA SYS - Add	
325,534		50	29,309	PRINCIPAL	TOTAL
YEAR		UNPAID INV.	INT. RAT	PAYMENT	PAYMENT
1996					
1997	1	325,117	8.875%	417	29,309
1998	2	324,662	8.875%	454	29,309
1999	3	324,168	8.875%	495	29,309
2000	4	323,629	8.875%	539	29,309
2001	5	323,042	8.875%	587	29,309
2002	6	322,404	8.875%	639	29,309
2003	7	321,708	8.875%	695	29,309
2004	8	320,951	8.875%	757	29,309
2005	9	320,127	8.875%	824	29,309
2006	10	319,230	8.875%	897	29,309
2007	11	318,253	8.875%	977	29,309
2008	12	317,189	8.875%	1,064	29,309
2009	13	316,031	8.875%	1,158	29,309
2010	14	314,770	8.875%	1,261	29,309
2011	15	313,398	8.875%	1,373	29,309
2012	16	311,903	8.875%	1,495	29,309
2013	17	310,276	8.875%	1,627	29,309
2014	18	308,504	8.875%	1,772	29,309
2015	19	306,576	8.875%	1,929	29,309
2016	20	304,476	8.875%	2,100	29,309
2017	21	302,189	8.875%	2,286	29,309
2018	22	299,700	8.875%	2,489	29,309
2019	23	296,990	8.875%	2,710	29,309
2020	24	294,039	8.875%	2,951	29,309
2021	25	290,826	8.875%	3,213	29,309
2022	26	287,329	8.875%	3,498	29,309
2023	27	283,520	8.875%	3,808	29,309
2024	28	279,374	8.875%	4,146	29,309
2025	29	274,860	8.875%	4,514	29,309
2026	30	269,945	8.875%	4,915	29,309
2027	31	264,594	8.875%	5,351	29,309
2028	32	258,768	8.875%	5,826	29,309
2029	33	252,426	8.875%	6,343	29,309
2030	34	245,520	8.875%	6,906	29,309
2031	35	238,001	8.875%	7,519	29,309
2032	36	229,815	8.875%	8,186	29,309
2033	37	220,902	8.875%	8,913	29,309
2034	38	211,199	8.875%	9,704	29,309
2035	39	200,634	8.875%	10,565	29,309
2036	40	189,132	8.875%	11,502	29,309
2037	41	176,609	8.875%	12,523	29,309
2038	42	162,974	8.875%	13,635	29,309
2039	43	148,130	8.875%	14,845	29,309
2040	44	131,967	8.875%	16,162	29,309
2041	45	114,371	8.875%	17,596	29,309
2042	46	95,213	8.875%	19,158	29,309
2043	47	74,354	8.875%	20,858	29,309
2044	48	51,645	8.875%	22,710	29,309
2045	49	26,919	8.875%	24,725	29,309
2046	50	0	8.875%	26,919	29,309
2047	51	0	0.000%	0	0

AMORTIZATION SCHEDULE FOR CRSP				PHX Srv. Center 02-10 Yr. Plan		TOTAL	AMORTIZATION SCHEDULE FOR CRSP				Mead Svc Center - Sch 1		AMORTIZATION SCHEDULE FOR CRSP				Mead Service Center - Sch 1		TOTAL	TOTAL EXP
131,409		50	11,674	PRINCIPAL	TOTAL	PAID TO	249,227		50	19,929	RINCIPA	TOTAL	0		50	0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	PDP	YEAR		UNPAID IN	INT RATE	PAYMENT	PAYMENT	YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	INTERTIE	CRSP
1996						208,284	1996	1	248,763	7.810%	464	19,929	1996	1	0	8.500%	0	0	19,929	228,212
1997	1	131,233	8.750%	176	11,674	329,677	1997	2	248,263	7.810%	500	19,929	1997	2	0	8.500%	0	0	19,929	349,606
1998	2	131,042	8.750%	192	11,674	329,677	1998	3	247,723	7.810%	539	19,929	1998	3	0	8.500%	0	0	19,929	349,606
1999	3	130,833	8.750%	208	11,674	329,677	1999	4	247,142	7.810%	581	19,929	1999	4	0	8.500%	0	0	19,929	349,606
2000	4	130,607	8.750%	226	11,674	329,677	2000	5	246,515	7.810%	627	19,929	2000	5	0	8.500%	0	0	19,929	349,606
2001	5	130,361	8.750%	246	11,674	329,677	2001	6	245,839	7.810%	676	19,929	2001	6	0	8.500%	0	0	19,929	349,606
2002	6	130,093	8.750%	268	11,674	329,677	2002	7	245,111	7.810%	729	19,929	2002	7	0	8.500%	0	0	19,929	349,606
2003	7	129,801	8.750%	291	11,674	329,677	2003	8	244,325	7.810%	785	19,929	2003	8	0	8.500%	0	0	19,929	349,606
2004	8	129,485	8.750%	317	11,674	329,677	2004	9	243,478	7.810%	847	19,929	2004	9	0	8.500%	0	0	19,929	349,606
2005	9	129,140	8.750%	345	11,674	329,677	2005	10	242,565	7.810%	913	19,929	2005	10	0	8.500%	0	0	19,929	349,606
2006	10	128,766	8.750%	375	11,674	329,677	2006	11	241,581	7.810%	984	19,929	2006	11	0	8.500%	0	0	19,929	349,606
2007	11	128,358	8.750%	407	11,674	329,677	2007	12	240,520	7.810%	1,061	19,929	2007	12	0	8.500%	0	0	19,929	349,606
2008	12	127,915	8.750%	443	11,674	329,677	2008	13	239,376	7.810%	1,144	19,929	2008	13	0	8.500%	0	0	19,929	349,606
2009	13	127,433	8.750%	482	11,674	329,677	2009	14	238,143	7.810%	1,233	19,929	2009	14	0	8.500%	0	0	19,929	349,606
2010	14	126,909	8.750%	524	11,674	329,677	2010	15	236,813	7.810%	1,330	19,929	2010	15	0	6.500%	0	0	19,929	349,606
2011	15	126,339	8.750%	570	11,674	329,677	2011	16	235,379	7.810%	1,434	19,929	2011	16	0	8.500%	0	0	19,929	349,606
2012	16	125,719	8.750%	620	11,674	249,287	2012	17	233,834	7.810%	1,546	19,929	2012	17	0	8.500%	0	0	19,929	269,195
2013	17	125,046	8.750%	674	11,674	249,267	2013	18	232,168	7.810%	1,666	19,929	2013	18	0	8.500%	0	0	19,929	289,195
2014	18	124,313	8.750%	733	11,674	249,267	2014	19	230,371	7.810%	1,796	19,929	2014	19	0	8.500%	0	0	19,929	269,195
2015	19	123,515	8.750%	797	11,674	249,267	2015	20	228,435	7.810%	1,937	19,929	2015	20	0	8.500%	0	0	19,929	269,195
2016	20	122,649	8.750%	867	11,674	249,287	2016	21	226,347	7.810%	2,088	19,929	2016	21	0	6.500%	0	0	19,929	269,195
2017	21	121,706	8.750%	943	11,674	249,267	2017	22	224,096	7.810%	2,251	19,929	2017	22	0	8.500%	0	0	19,929	289,195
2018	22	120,681	8.750%	1,025	11,674	249,267	2018	23	221,669	7.810%	2,427	19,929	2018	23	0	8.500%	0	0	19,929	269,195
2019	23	119,566	8.750%	1,115	11,674	249,267	2019	24	219,053	7.810%	2,618	19,929	2019	24	0	8.500%	0	0	19,929	289,195
2020	24	118,354	8.750%	1,212	11,674	249,267	2020	25	216,232	7.810%	2,821	19,929	2020	25	0	8.500%	0	0	19,929	269,195
2021	25	117,035	8.750%	1,318	11,674	249,267	2021	26	213,191	7.810%	3,041	19,929	2021	26	0	8.500%	0	0	19,929	269,195
2022	26	115,601	8.750%	1,434	11,674	249,287	2022	27	209,913	7.810%	3,278	19,929	2022	27	0	8.500%	0	0	19,929	269,195
2023	27	114,042	8.750%	1,559	11,674	249,267	2023	28	206,378	7.810%	3,534	19,929	2023	28	0	8.500%	0	0	19,929	269,195
2024	28	112,346	8.750%	1,696	11,674	249,267	2024	29	202,568	7.810%	3,810	19,929	2024	29	0	8.500%	0	0	19,929	269,195
2025	29	110,502	8.750%	1,844	11,674	249,267	2025	30	198,460	7.810%	4,108	19,929	2025	30	0	8.500%	0	0	19,929	269,195
2026	30	108,497	8.750%	2,005	11,674	249,267	2026	31	194,031	7.810%	4,429	19,929	2026	31	0	8.500%	0	0	19,929	269,195
2027	31	106,316	8.750%	2,181	11,674	249,267	2027	32	189,256	7.810%	4,775	19,929	2027	32	0	8.500%	0	0	19,929	269,195
2028	32	103,944	8.750%	2,372	11,674	249,267	2028	33	184,109	7.810%	5,148	19,929	2028	33	0	8.500%	0	0	19,929	269,195
2029	33	101,364	8.750%	2,579	11,674	249,287	2029	34	178,559	7.810%	5,550	19,929	2029	34	0	8.500%	0	0	19,929	269,195
2030	34	98,559	8.750%	2,805	11,674	249,267	2030	35	172,576	7.810%	5,983	19,929	2030	35	0	8.500%	0	0	19,929	269,195
2031	35	95,509	8.750%	3,050	11,674	249,267	2031	36	166,125	7.810%	6,450	19,929	2031	36	0	8.500%	0	0	19,929	269,195
2032	36	92,192	8.750%	3,317	11,674	249,267	2032	37	159,171	7.810%	6,954	19,929	2032	37	0	8.500%	0	0	19,929	269,195
2033	37	88,584	8.750%	3,608	11,674	249,267	2033	38	151,673	7.810%	7,497	19,929	2033	38	0	8.500%	0	0	19,929	269,195
2034	38	84,661	8.750%	3,923	11,674	249,267	2034	39	143,591	7.810%	8,083	19,929	2034	39	0	8.500%	0	0	19,929	269,195
2035	39	80,394	8.750%	4,267	11,674	249,267	2035	40	134,876	7.810%	8,714	19,929	2035	40	0	8.500%	0	0	19,929	269,195
2036	40	75,754	8.750%	4,640	11,674	249,267	2036	41	125,482	7.810%	9,395	19,929	2036	41	0	8.500%	0	0	19,929	269,195
2037	41	70,708	8.750%	5,046	11,674	249,267	2037	42	115,353	7.810%	10,129	19,929	2037	42	0	8.500%	0	0	19,929	269,195
2038	42	65,221	8.750%	5,487	11,674	249,267	2038	43	104,433	7.810%	10,920	19,929	2038	43	0	8.500%	0	0	19,929	269,195
2039	43	59,253	8.750%	5,968	11,674	249,267	2039	44	92,661	7.810%	11,772	19,929	2039	44	0	8.500%	0	0	19,929	269,195
2040	44	52,763	8.750%	6,490	11,674	249,267	2040	45	79,969	7.810%	12,692	19,929	2040	45	0	8.500%	0	0	19,929	289,195
2041	45	45,706	8.750%	7,058	11,674	249,267	2041	46	66,286	7.810%	13,683	19,929	2041	46	0	8.500%	0	0	19,929	269,195
2042	46	38,030	8.750%	7,675	11,674	249,267	2042	47	51,535	7.810%	14,752	19,929	2042	47	0	8.500%	0	0	19,929	269,195
2043	47	29,684	8.750%	8,347	11,674	249,267	2043	48	35,631	7.810%	15,904	19,929	2043	48	0	8.500%	0	0	19,929	289,195
2044	48	20,606	8.750%	9,077	11,674	249,267	2044	49	18,485	7.810%	17,146	19,929	2044	49	0	8.500%	0	0	19,929	269,195
2045	49	10,735	8.750%	9,871	11,674	249,267	2045	50	0	7.810%	18,485	19,929	2045	50	0	8.500%	0	0	19,929	269,195
2046	50	0	8.750%	10,735	11,674	40,983	2046	51	0	0	0	0	2046	51	0	0	0	0	0	40,983
2047	51	0	0.000%	0	0	0	2047	[illegible]	0	0	0	0	204[illegible]	52	0	0	0	0	0	0
						13,669,482													996,431	14,665,914

AMORTIZATION SCHEDULE FOR PDP				Mead Service Center -Sch 1		AMORTIZATION SCHEDULE FOR PDP				Mead Service Center -Sch 1		TOTAL	TOTAL EXP.
1,924,109		50	153,855	PRINCIPAL	TOTAL	0		50	0	PRINCIPAL	TOTAL	PAID TO	TO
YEAR		UNPAID INV.	INT. RATE	PAYMENT	PAYMENT	YEAR		UNPAID INV	INT. RATE	PAYMENT	PAYMENT	INTERTIE	PDP
1996	1	1,920,527	7.81%	3,582	153,855	1996	1	0	8.500%	0	0	153,855	153,855
1997	2	1,916,665	7.81%	3,862	153,855	1997	2	0	8.500%	0	0	153,855	153,855
1998	3	1,912,501	7.81%	4,164	153,855	1998	3	0	8.500%	0	0	153,855	153,855
1999	4	1,908,012	7.81%	4,489	153,855	1999	4	0	8.500%	0	0	153,855	153,855
2000	5	1,903,173	7.81%	4,839	153,855	2000	5	0	8.500%	0	0	153,855	153,855
2001	6	1,897,956	7.81%	5,217	153,855	2001	6	0	8.500%	0	0	153,855	153,855
2002	7	1,892,331	7.81%	5,625	153,855	2002	7	0	8.500%	0	0	153,855	153,855
2003	8	1,886,266	7.81%	6,064	153,855	2003	8	0	8.500%	0	0	153,855	153,855
2004	9	1,879,729	7.81%	6,538	153,855	2004	9	0	8.500%	0	0	153,855	153,855
2005	10	1,872,680	7.81%	7,048	153,855	2005	10	0	8.500%	0	0	153,855	153,855
2006	11	1,865,081	7.81%	7,599	153,855	2006	11	0	8.500%	0	0	153,855	153,855
2007	12	1,856,889	7.81%	8,192	153,855	2007	12	0	8.500%	0	0	153,855	153,855
2008	13	1,848,057	7.81%	8,832	153,855	2008	13	0	8.500%	0	0	153,855	153,855
2009	14	1,838,535	7.81%	9,522	153,855	2009	14	0	8.500%	0	0	153,855	153,855
2010	15	1,828,269	7.81%	10,266	153,855	2010	15	0	8.500%	0	0	153,855	153,855
2011	16	1,817,202	7.81%	11,067	153,855	2011	16	0	8.500%	0	0	153,855	153,855
2012	17	1,805,270	7.81%	11,932	153,855	2012	17	0	8.500%	0	0	153,855	153,855
2013	18	1,792,406	7.81%	12,864	153,855	2013	18	0	8.500%	0	0	153,855	153,855
2014	19	1,778,538	7.81%	13,868	153,855	2014	19	0	8.500%	0	0	153,855	153,855
2015	20	1,763,587	7.81%	14,951	153,855	2015	20	0	8.500%	0	0	153,855	153,855
2016	21	1,747,468	7.81%	16,119	153,855	2016	21	0	8.500%	0	0	153,855	153,855
2017	22	1,730,090	7.81%	17,378	153,855	2017	22	0	8.500%	0	0	153,855	153,855
2018	23	1,711,354	7.81%	18,735	153,855	2018	23	0	8.500%	0	0	153,855	153,855
2019	24	1,691,156	7.81%	20,198	153,855	2019	24	0	8.500%	0	0	153,855	153,855
2020	25	1,669,380	7.81%	21,776	153,855	2020	25	0	8.500%	0	0	153,855	153,855
2021	26	1,645,903	7.81%	23,477	153,855	2021	26	0	8.500%	0	0	153,855	153,855
2022	27	1,620,593	7.81%	25,310	153,855	2022	27	0	8.500%	0	0	153,855	153,855
2023	28	1,593,306	7.81%	27,287	153,855	2023	28	0	8.500%	0	0	153,855	153,855
2024	29	1,563,888	7.81%	29,418	153,855	2024	29	0	8.500%	0	0	153,855	153,855
2025	30	1,532,173	7.81%	31,716	153,855	2025	30	0	8.500%	0	0	153,855	153,855
2026	31	1,497,980	7.81%	34,193	153,855	2026	31	0	8.500%	0	0	153,855	153,855
2027	32	1,461,117	7.81%	36,863	153,855	2027	32	0	8.500%	0	0	153,855	153,855
2028	33	1,421,375	7.81%	39,742	153,855	2028	33	0	8.500%	0	0	153,855	153,855
2029	34	1,378,529	7.81%	42,846	153,855	2029	34	0	8.500%	0	0	153,855	153,855
2030	35	1,332,337	7.81%	46,192	153,855	2030	35	0	8.500%	0	0	153,855	153,855
2031	36	1,282,538	7.81%	49,800	153,855	2031	36	0	8.500%	0	0	153,855	153,855
2032	37	1,228,849	7.81%	53,689	153,855	2032	37	0	8.500%	0	0	153,855	153,855
2033	38	1,170,966	7.81%	57,882	153,855	2033	38	0	8.500%	0	0	153,855	153,855
2034	39	1,108,564	7.81%	62,403	153,855	2034	39	0	8.500%	0	0	153,855	153,855
2035	40	1,041,287	7.81%	67,276	153,855	2035	40	0	8.500%	0	0	153,855	153,855
2036	41	968,757	7.81%	72,531	153,855	2036	41	0	8.500%	0	0	153,855	153,855
2037	42	890,561	7.81%	78,195	153,855	2037	42	0	8.500%	0	0	153,855	153,855
2038	43	806,259	7.81%	84,302	153,855	2038	43	0	8.500%	0	0	153,855	153,855
2039	44	715,372	7.81%	90,886	153,855	2039	44	0	8.500%	0	0	153,855	153,855
2040	45	617,388	7.81%	97,985	153,855	2040	45	0	8.500%	0	0	153,855	153,855
2041	46	511,751	7.81%	105,637	153,855	2041	46	0	8.500%	0	0	153,855	153,855
2042	47	397,863	7.81%	113,887	153,855	2042	47	0	8.500%	0	0	153,855	153,855
2043	48	275,081	7.81%	122,782	153,855	2043	48	0	8.500%	0	0	153,855	153,855
2044	49	142,710	7.81%	132,371	153,855	2044	49	0	8.500%	0	0	153,855	153,855
2045	50	0	7.81%	142,710	153,855	2045	50	0	8.500%	0	0	153,855	153,855
2046	51	0	0.00%	0	0	2046	51	0	0.00%	0	0	0	0
2047	52	0	0.00%	0	0	2047	52	0	0.00%	0	0	0	0
												7,692,761	7,692,761

BOULDER CANYON PROJECT

INSTRUCTIONS FOR THE ADMINISTRATION OF SECTION 14.4 OF THE IMPLEMENTATION AGREEMENT

ADOPTED AUGUST 14, 1996

Resolution # 96-3

August 1996

Administration of Working Capital

Resolution # 96-3
of the Boulder Canyon Project
Engineering and Operating Committee

—

ADOPTION OF INSTRUCTIONS FOR ADMINISTRATION OF SECTION 14 OF THE BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT REGARDING WORKING CAPITAL

—

Adopted at the Regularly Scheduled Meeting on August 14, 1996

WHEREAS:

1. Section 14 of the Boulder Canyon Project (BCP) Implementation Agreement defines and establishes the purpose of the Operating Amount, including a component of the Operating Amount defined as Working Capital.

2. Section 14 of the BCP Implementation Agreement further authorizes the Engineering and Operating Committee (E&OC) to annually review the sufficiency of the Operating Amount and authorizes the Coordinating Committee to increase or decrease the Working Capital.

3. Pursuant to the Initial Audit of the BCP, authorized by Section 15.2 of the Implementation Agreement and completed on February 14, 1996, representatives of the Bureau of Reclamation, Western Area Power Administration and BCP Contractors determined clear and concise instructions were needed to ensure consistent administration of the Working Capital in financial reports and power repayment study spreadsheets.

THE ENGINEERING AND OPERATING COMMITTEE THEREFORE RESOLVES THAT:

1. The Instructions for Administration of Section 14.4 of the Implementation Agreement provide the necessary guidance.

INSTRUCTIONS FOR THE ADMINISTRATION OF SECTION 14.4 OF THE BCP IMPLEMENTATION AGREEMENT

1. The initial amount of Working Capital existing on October 1, 1996 shall be $3,000,000 and all surplus revenue from previous fiscal years above this amount shall be credited against the Annual Revenue Requirement of the BCP in fiscal year 1997 pursuant to Section 13 of the BCP Implementation Agreement.

2. By February 1st of each year after fiscal year 1996, the Bureau of Reclamation (Reclamation) shall prepare a Monthly Obligations and Funds Flow Analysis.

   2.1. The Monthly Obligations and Funds Flow Analysis shall be based upon the most recent, approved, Final Ten Year Plan for the BCP prepared in accordance with Section 12.6 of the BCP Implementation Agreement.

   2.2. The Monthly Obligations and Funds Flow Analysis shall show actual or projected values for the current fiscal year, the upcoming fiscal year, and the next fiscal year thereafter of the following:

      2.2.1. The balance of unobligated funds in the Colorado River Dam Fund on the first day of each month during the three year analysis period.

      2.2.2. The monthly cash in-flows to the Colorado River Dam Fund by revenue category established in Section 13 of the BCP Implementation Agreement during the three year analysis period.

      2.2.3. The monthly expenditure obligations to be made against the Colorado River Dam Fund by Reclamation by obligation category established in Section 13 of the BCP Implementation Agreement during the three year analysis period.

      2.2.4. The balance of unobligated funds in the Colorado River Dam Fund on the last day of each month during the three year analysis period.

3. After fiscal year 1996, the amount of the increase or decrease in the Working Capital to be accumulated through or credited against charges for BCP power during the upcoming fiscal year shall be determined by calculating the dollar amount (either positive or negative) that must be added to the Colorado River Dam Fund to ensure the balance of the unobligated funds in the Colorado River Dam Fund on the last day of each month in the next fiscal year after the upcoming fiscal year is zero or a positive amount as evident by the Monthly Obligations and Funds Flow Analysis.

3.1. To the extent the Monthly Obligations and Funds Flow Analysis does not indicate a deficiency in any month during the next fiscal year after the upcoming fiscal year, the amount of Working Capital shall be reduced by an amount equal to the reduction in the beginning balance of the unobligated funds in the Colorado River Dam Fund that results in the monthly ending balance of the unobligated funds in the Colorado River Dam Fund in one or more months to be zero.

3.2. To the extent the Monthly Obligations and Funds Flow Analysis shows a deficiency in any month during the next fiscal year after the upcoming fiscal year, Reclamation shall mitigate, to the extent possible, the need to increase the amount of Working Capital by adjustment of the planned expenditure obligations to match projected cash in-flow into the Colorado River Dam Fund.

3.2.1 Based upon any adjustments under this section 3.2., Reclamation shall prepare a revised Monthly Obligations and Funds Flow Analysis.

4. The Monthly Obligations and Funds Flow Analysis shall be distributed to the BCP Engineering and Operating Committee (E&OC) two weeks prior to the regularly scheduled February meeting of the E&OC.

4.1. The Monthly Obligations and Funds Flow Analysis shall be reviewed and discussed at the regularly scheduled February meeting of the E&OC.

4.2. If necessary, as determined by the E&OC, a subcommittee of the E&OC will be established at the regularly scheduled February meeting of the E&OC to further meet, review and analyze the Monthly Obligated Funds Flow Analysis with Reclamation.

5. The Monthly Obligations and Funds Flow Analysis, as revised, will be presented to the E&OC for consideration and adoption at the E&OC's regularly scheduled May meeting.

5.1. Upon approval of the Monthly Obligations and Funds Flow Analysis by the E&OC, Reclamation shall notify Western of any necessary increases or decreases in the amount of the Working Capital to be accumulated through or credited against charges for BCP power during the upcoming fiscal year.

6. The amount of the increase or decrease in the amount of Working Capital to be accumulated through or credited against charges for BCP power during the upcoming fiscal year as determined in accordance with these instructions shall be included in the annual adjustment of the Base Charge.

Resolution # 96-4

October 1996

Excess Energy Delivery and Accounting

Resolution #96-4
of the Boulder Canyon Project
Engineering and Operating Committee

ATTACHMENT 1
PROCEDURE FOR ALLOCATION OF FISCAL YEAR 1996 EXCESS ENERGY

1. Excess energy not delivered to APA during fiscal year 1996 will be delivered equally over the months of May, June, July, August and September 1997. The excess energy to be returned to APA shall be a proportionate reduction in the firm energy allocation of the other BCP Contractors during this period.

2. APA shall pay for excess energy delivered in 1996 in accordance with Section 13.7 of the BCPIA.

3. APA shall pay for its undelivered FY96 excess energy delivered in FY97, at the calculated Energy Rate for FY96 in accordance with section 13.7 of the BCPIA, in the monthly billing for the month in which the FY96 excess energy is received by APA.

4. The other BCP Contractors shall receive a credit proportional to the amount of FY96 excess energy returned to APA in FY97. The credit will be issued in the same month in which APA is billed for FY96 excess energy. The credit amount the other BCP Contractors will receive will be their respective proportionate share of APA's payment for FY96 Excess Energy.

5. The BCP E&OC will develop procedures for future fiscal years.

BOULDER CANYON PROJECT

FINAL ENERGY RECONCILIATION

1996
Fiscal Year

WESTERN AREA POWER
ADMINISTRATION
DESERT SOUTHWEST REGIONAL OFFICE

Attachment 1

Attachment 1 (Continued)
RECONCILIATION OF 1996 HOOVER FISCAL YEAR

TOTAL HOOVER

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N
		(A x 009355)			= A-B+C-D					= F+G+H-I				= E-J-K+L+ prev deviation
	TOTAL HOOVER GEN	XFMR LOSSES	TOTAL SL ASSESS	RESRC INTGRTN EXCHG	NET ENERGY AVAIL @ MED	NET DEEMED DELVRY @ MED	TOTAL ML ASSESS	TOTAL SL ASSESS	TOTAL ML & SL RETURN	TOTAL ENERGY DELVRD	REDUCT DUE TO UNDRRNS	REDISTR OF UNDRRNS	ENDNOTE	ACCUM DEVIATION
														179
Oct-95	275,548	2,578	7,475	0	280,444	268,135	14,965	7,475	3,212	287,363	202	201	(1)	
Nov-95	141,123	1,320	9,555	0	149,358	126,299	15,167	9,555	2,683	148,338	0	0	(1)	
Dec-95	335,614	3,140	7,335	0	339,809	340,695	11,330	7,335	2,974	356,386	0	0	(1)	
Jan-96	274,046	2,564	6,645	0	278,127	256,592	13,183	6,645	3,835	272,585	0	0	(1)	
Feb-96	364,841	3,413	4,187	0	365,615	366,880	8,324	4,187	2,794	376,597	0	0	(1)	
Mar-96	485,436	4,541	4,140	0	485,035	476,044	8,093	4,140	3,059	485,218	51	52	(1)	
Apr-96	628,919	5,884	3,258	0	626,293	627,069	6,980	3,258	2,241	635,066	0	0	(1)(2)	
May-96	566,247	5,297	6,065	0	567,015	549,746	11,739	6,065	2,001	565,549	0	0	(1)	
Jun-96	500,507	4,682	5,937	0	501,761	483,457	12,712	5,937	2,386	499,720	44	44	(1)(2)(3)	
Jul-96	452,410	4,232	7,117	0	455,295	424,601	14,616	7,117	2,729	443,605	0	0	(1)(2)	
Aug-96	405,604	3,796	8,803	0	410,610	378,913	18,129	8,803	3,508	400,337	0	0	(1)(3)	
Sep-96	288,831	2,702	9,373	0	295,502	259,430	16,646	9,373	2,610	282,839	24	23	(1)	
TOTAL	4,718,324	44,149	79,890	0	4,755,065	4,559,861	149,884	79,890	34,032	4,755,603	321	320		(360)

ENTITLEMENT SUMMARY

Contract Sched. A Entitle	Contract Sched B Entitle	Contract Sched. C Entitle	Total Contract Entitle	Prior Year Accum Deviation	Underrun Reduction	Underrun Redistrib	Total Adjusted Entitle	Total Energy Delivered	Under/ (Over) Delivered
3,738,192	762,809	254,064	4,755,065	179	321	320	4,755,243	4,755,603	(360)

A[illegible]ment 2

Hoover Energy Charge Calculation Spreadsheet - Fiscal Year 1996

Energy Dollar PRSS ($)	$23,460,351
Energy Deemed Delivered (MWh)	4,755,603
Calculated Energy Rate (mills/kWh)	4.933202162

	Energy Which Should Have Been Delivered										
	Energy Entitlement										
	Sch. A & B MWh col. 1	Sch. C MWh col. 2	Total Sch. A, B & C MWh col. 3=1+2	FY95 Accum. Deviation MWh col. 4	Net Underruns/ Redistribution of Underruns MWh col. 5	Total Adjusted Entitlement MWh col. 6=3+4+5	Total Energy Delivered MWh col. 7	FY96 Accum. Deviation MWh col. 8=6-7	Contractor's Energy Dollar ($) col 9	Contractor's Actual Energy Charge ($) col. 10=col. 7 * rate	Difference in Energy Dollars ($) col. 11=10-9
APA	853,061	254,064	1,107,125	103	61	1,107,289	1,005,219	102,070	4,448,877 25	4,958,948 54	510,071.29
CRC	1,051,911	0	1,051,911	(2,018)	75	1,049,968	1,076,719	(26,751)	5,483,303 29	5,311,672 50	(171,630 79)
Boulder City	79,542	0	79,542	158	8	79,708	81,890	(2,184)	414,844.21	403,979 93	(10,864 28)
Anaheim	51,703	0	51,703	93	4	51,800	53,211	(1,411)	269,815 24	262,500 62	(7,314 62)
Azusa	4,969	0	4,969	6	(0)	4,975	5,113	(138)	25,933 49	25,223 46	(710 03)
Banning	1,989	0	1,989	4	(0)	1,993	2,047	(54)	10,384 59	10,098 26	(286 33)
Burbank	26,448	0	26,448	23	1	26,472	27,193	(721)	137,380 99	134,148 57	(3,232.42)
Colton	3,979	0	3,979	10	0	3,989	4,096	(107)	20,762 87	20,206 40	(556 47)
Glendale	71,449	0	71,449	(25)	5	71,429	73,447	(2,018)	372,857.78	362,326 90	(10,528 88)
Los Angeles	694,185	0	694,185	(1,272)	(147)	892,766	709,368	(16,602)	3,605,085.69	3,499,455.75	(105,629.94)
MWD	1,284,554	0	1,284,554	2,249	93	1,286,896	1,322,026	(35,130)	6,699,052 81	6,521,821.52	(177,231.29)
Pasadena	61,344	0	61,344	129	(61)	61,412	63,218	(1,806)	321,173 45	311,867.17	(9,306.28)
Riverside	38,776	0	38,776	69	2	38,847	39,906	(1,059)	202,482.21	196,864.37	(5,617.84)
Edison	249,252	0	249,252	503	17	249,773	263,154	(13,382)	1,302,850.77	1,298,191.88	(4,658 89)
Vernon	27,839	0	27,839	146	(56)	27,929	28,996	(1,067)	145,546.39	143,043.14	(2,503.25)
Total	4,501,001	254,064	4,755,065	179	0	4,755,243	4,755,603	(360)	23,460,351.01	23,460,351.01	(0.00)

Col. 1 = Schedule A and Schedule B Entitlement

Col. 2 = Schedule C Excess Energy Entitlement ***

Col. 3 = Total Schedule A, Schedule B and Schedule C Entitlements - (col. 1 + col. 2) (Recon col. E)

Col. 4 = Previous Years Accumulated Deviation

Col. 5 = Net Adjustment due to Underruns and Redistribution of Underruns (Recon col. L - col. K for each entity)

Col. 6 = Total Adjusted Entitlement - (col. 3 + col. 4 + col. 5)

Col. 7 = Total Energy Delivered (Recon. col. J). For FY97, an adjusted Total Energy Delivered column will need to be added which subtracts out the FY96 Sch C returned energy from the FY97 Energy so that the energy will not be charged twice.

Col. 8 = Current Year Accumulated Deviation - (col. 6 - col 7); positive is amount owed to Contractor

Col. 9 = Except for FY96, Contractor's Energy Dollar equals Energy Dollar multiplied by each Contractor's Firm Energy percentage. For FY96, Actual Energy Dollars received by Western, refer to Western letter to Contractors dated Dec 1, 1995

Col. 10 = Contractor's Actual Energy Charge based on the Calculated Energy Rate times the Total Energy Delivered - (col 7 * Calculated Energy Rate)

Col. 11 = Difference in Contractor's Energy Dollar - (col. 10 - col. 9)

Recon = Final Energy Reconciliation Report

*** Arizona Power Authority's 600,000 MWh first right to Schedule C Entitlement is reduced by 254,064 MWh therefore APA's Schedule C first right carryforward is 345,936 MWh The Schedule C first right accumulated for FY97 is 545,936 MWh

Attachment 2a
Hoover Energy Charge Calculation Spreadsheet - Fiscal Year 1996
Special Supplement for Fiscal Year 1996

	FY95 Accum. Deviation MWh col. 1	FY96 Under (Over) Deliveries MWh col. 2	Sch. C Energy Return to APA MWh col. 3	FY96 Deviation MWh col. 4 = 2 - 3	FY96 Accum. Deviation MWh col. 5=1+ 2	Adjusted FY96 Accum. Deviation MWh Col 6= 1+4	Contractor's Actual Energy Dollar Distribution $ col. 7
APA	103	101,967	101,967	0	102,070	103	$503,023.82
CRC	(2,018)	(24,733)	(24,603)	(130)	(26,751)	(2,148)	($121,371.57)
Boulder City	158	(2,342)	(2,330)	(12)	(2,184)	146	($11,494.36)
Anaheim	93	(1,504)	(1,496)	(8)	(1,411)	85	($7,380.07)
Azusa	6	(144)	(143)	(1)	(138)	5	($705.45)
Banning	4	(58)	(58)	0	(54)	4	($286.13)
Burbank	23	(744)	(740)	(4)	(721)	19	($3,650.57)
Colton	10	(117)	(116)	(1)	(107)	9	($572.25)
Glendale	(25)	(1,993)	(1,983)	(10)	(2,018)	(35)	($9,782.54)
Los Angeles	(1,272)	(15,330)	(15,249)	(81)	(16,602)	(1,353)	($75,226.40)
MWD	2,249	(37,379)	(37,182)	(197)	(35,130)	2,052	($183,426.32)
Pasadena	129	(1,935)	(1,925)	(10)	(1,806)	119	($9,496.41)
Riverside	69	(1,128)	(1,122)	(6)	(1,059)	63	($5,535.05)
Edison	503	(13,885)	(13,812)	(73)	(13,382)	430	($68,137.39)
Vernon	146	(1,214)	(1,208)	(6)	(1,068)	140	($5,959.31)
Total	179	(539)	0	(539)	(360)	(360)	$0.00

Col. 1 = Fiscal Year 1995 Accumulated Deviation (Attachment 2 - col. 4)

Col. 2 = Total energy the Contractors need to return to each other and the Project for FY96 in accordance with the reconciliation process. This is the Project energy under/(over) deliveries.

Col. 3 = The energy each Contractor returns to APA for FY96 Sch. C Energy, this total must sum to zero.

Col. 4 = Fiscal Year 96 deviation distributed to each Contractor.

Col. 5 = The FY96 Accumulated Deviation (as in Recon) which will be placed in col. 4 of Attachment 2 for the FY97 calculation.

Col. 6 = The adjusted FY96 Accumulated Deviation summing the FY95 Accumulated Deviation (col. 1) with the FY96 Deviation (col. 4).

Col. 7 = Actual energy Charge distribution due to APA's payment of Sch. C Energy returned times the FY96 Calculated Energy Rate to the other Contractors. Col. 3 multiplied by 4.933202162

Recon = Final Energy Reconciliation Report

Resolution # 96-6

December 1996

Administration of Replacements

Resolution # 96-6
of the
Boulder Canyon Project
Engineering and Operating Committee

DEFINITION OF THE TERM "REPLACEMENTS"
UNDER SECTION 6.2 OF THE
BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT

WHEREAS:

1. Western Area Power Administration's ("Western"), General Regulations for the Charges for Sale of Power From the Boulder Canyon Project ("BCP"); Final Rule (10CFR904) outline eight cost components for the project revenue requirement, two of which are operation and maintenance (904.5 (b)(1)), and capital cost of investments and replacements (904.5 (b)(5));

2. Prior to FY 1997, the United States, Bureau of Reclamation's ("Reclamation") accounting practice identified operation, maintenance, replacements-dam/power-plant, replacements-general property, additions and betterments, ~~and~~ additions-general property, and extraordinary maintenance as cost components within the operation and maintenance cost of investments and replacements.

3. Section 6.2.1 of the Boulder Canyon Project Implementation Agreement ("BCP IA") provides in part "In any Fiscal Year .... in which the amounts required for replacements on the Project have exceeded or may exceed the amounts available for that purpose by appropriations from the Treasury, the excess may be expensed. Ninety-six percent (96%) of the sum of the amounts so expensed, together with interest during construction on those expenditures which are for replacement items not placed in service in the year such expenditures are made, shall be Replacement Capital Advances.

4. KPMG, the firm which prepared the Initial Audit of the BCP, made certain recommendations concerning the accounting practices to be followed by Reclamation and ("Western"), in the administration of the BCP IA, including Section 6.2 thereof. Most of KPMG's Initial Audit recommendations were accepted by the BCP Engineering and Operating Committee ("E&OC"). However, three KPMG recommendations, including one on the administration of Section 6.2, created questions on the part of some BCP Contractors, Western and Reclamation representatives.

5. Section 15.1.1 of the BCP IA provides in part that "All recommendations from audits conducted pursuant to this Agreement shall be evaluated and reviewed by

the E&OC, and those recommendations with which the E&OC Members unanimously agree shall be implemented by Western or Reclamation, as applicable".

6. The E&OC established a subcommittee, the Initial Audit Implementation Subcommittee (Ad-hoc Sub-committee) with representatives from Reclamation, Western, and the BCP Contractors, for the purpose of reviewing the Initial Audit recommendations and to make recommendations which would result in resolution of the questions raised by the KPMG recommendations.

7. The Ad-hoc Subcommittee has reviewed the KPMG recommendation concerning the administration of Section 6.2 of the BCP IA and submitted a procedure for the administration of Section 6.2 in resolution of the questions raised by the KPMG replacement recommendation.

NOW, BE IT HEREBY RESOLVED THAT the Administrative Procedure for application of Section 6.2 of the Boulder Canyon Project Implementation Agreement ("BCP IA"), attached to this Resolution # 96-6 fulfills the objectives of the BCP IA, and

BE IT FURTHER RESOLVED THAT the E&OC hereby approves the attached Administrative Procedure on this the 10 the day of December, 1996.

BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT
SECTION 6.2 ADMINISTRATIVE PROCEDURE

Dated December 10, 1996

I. RECITALS.

This Administrative Procedure is adopted as a guide for the Parties to the Boulder Canyon Project Implementation Agreement with reference to the following facts.

1. Western Area Power Administration's ("Western"), General Regulations for the Charges for Sale of Power From the Boulder Canyon Project ("BCP"); Final Rule (10CFR904) outline eight cost components for the project revenue requirement, two of which are operation and maintenance (904.5 (b)(1)), and capital cost of investments and replacements (904.5 (b)(5));

2. Prior to FY 1997, the United States, Bureau of Reclamation's ("Reclamation") accounting practice identified operation, maintenance, replacements-dam/power-plant, replacements-general property, additions and betterments, ~~and~~ additions-general property, and extraordinary maintenance as cost components within the operation and maintenance cost of investments and replacements.

3. Section 6.2.1 of the Boulder Canyon Project Implementation Agreement ("BCP IA") provides in part "In any Fiscal Year .... in which the amounts required for replacements on the Project have exceeded or may exceed the amounts available for that purpose by appropriations from the Treasury, the excess may be expensed. Ninety-six percent (96%) of the sum of the amounts so expensed, together with interest during construction on those expenditures which are for replacement items not placed in service in the year such expenditures are made, shall be Replacement Capital Advances

4. KPMG, the firm which prepared the Initial Audit of the BCP, made certain recommendations concerning the accounting practices to be followed by Reclamation and the("Western"), in the administration of the BCP IA, including Section 6.2 thereof. Most of KPMG's Initial Audit recommendations were accepted by the BCP Engineering and Operating Committee ("E&OC"). However, three KPMG recommendations, including one on the administration of Section 6.2, created questions on the part of some BCP Contractors, Western and Reclamation representatives.

5. Section 15.1.1 of the BCP IA provides in part that "All recommendations from audits conducted pursuant to this Agreement shall be evaluated and reviewed by the E&OC, and those recommendations with which the E&OC Members unanimously agree shall be implemented by Western or Reclamation, as applicable".

6. **The E&OC established a subcommittee, the Initial Audit Implementation Subcommittee (Ad-hoc Sub-committee) with representatives from Reclamation, Western and the BCP Contractors, for the purpose of reviewing the Initial Audit recommendations and to make recommendations which would result in resolution of the questions raised by the KPMG recommendations.**

7. The Ad-hoc Subcommittee has reviewed the KPMG recommendation concerning the administration of Section 6.2 of the BCP IA and submitted a procedure for the administration of Section 6.2 in resolution of the questions raised by the KPMG replacement recommendation.

II. ADMINISTRATIVE PROCEDURES.

In the administration Section 6.2 of the BCP IA, the Parties will apply the following definitions and principles.

A. Capital Investments

Capital Investments will include "replacements, additions and betterments", as accounted for and booked to the BCP during the years beginning 6/l/87 and ending 9/30/96. For years beginning 10/l/96 and thereafter, Capital Investments will include "replacements" as defined in Part B below.

B. Definition of Replacements For Years After FY 1996.

Beginning with Fiscal Year 1997, "replacements" and replacement expenses to be included in each "Final" Ten Year Operating Plan and the BCP PRSS are defined as:

<u>One or more item of equipment, facility, structure, or system that:</u>

1. In fact substitutes for and replaces one, or more, existing item of equipment, facility, structure, or system; <u>and</u>

2. Is permitted to be classified as a "retirement unit" under 18 CFR (FERC System of Accounts); <u>or</u>

3. Is classified as a "replacement" in the most recent "Final" Ten Year Operating Plan; or, fits into one or more of the following categories <u>unless</u> classified as an item of maintenance in the annual revision of the "Final" Ten Year Operating Plan.

    a. a "Unit of Property Replaceable During Period of Analysis" as described in Table 9 of the Department of Energy and Department of Interior, Blue Covered Manual entitled "REPLACEMENTS, UNITS, SERVICE LIVES, FACTORS", dated July 1995, (hereafter called the "Bluebook");

b. a Unit of property described in the Bluebook, "Table 2, SERVICE LIFE SUMMARY", attached hereto;

c. An item described in "Table 3, Plant", attached; and

d. Any item covered by revisions to the documents described in (a), (b), and (c), above, provided that any such revisions have been approved by the E&OC as additions to the documents to which they pertain.

C. Administration of Section 6.2 of the BCP Implementation Agreement.

For purposes of administering certain parts of Section 6.2 of the BCP IA, the following principles will apply:

1. **6/1/1987 through 9/30/1990**

   The amount of annual "Replacement Capital Advances" to be calculated pursuant to Section 6.2.1 of the BCP IA will be 96% of the sum of replacements, capital additions and betterments expenses not funded by appropriations, as shown by the "Final" Ten Year Operating Plan for each fiscal year, together with interest during construction on those expenditures which are for plant or equipment not placed in service for such year.

2. **10/1/1990 through 9/30/1995**

   The amount of annual "Replacement Capital Advances" for FY 1990 through FY 1995 will be 96% of the sum of replacements, capital additions and betterments as stated on pages 50 through 52 of the "Final" December 1996 Ten Year Operating Plan.

3. **10/1/1995 through 9/30/2017**

   The amount of annual "Replacement Capital Advances" to be calculated pursuant to Section 6.2.1 of the BCP IA will be 96% of the sum of replacement, expenses that are not funded by appropriations, as shown by the "Final" Ten Year Operating Plan for each fiscal year, together with interest during construction on those expenditures which are for plant or equipment not placed in service for such year.

III. RATIFICATION AND EFFECTIVENESS.

This Administrative Procedure will be effective when approved by the E&OC and will remain in effect until revised or terminated by action of the E&OC.

END OF ADMINISTRATIVE PROCEDURE

Resolution # 97-7

June 1997

Procedures for Accounting and Reconciliation of Energy

Resolution # 97-7
of the Boulder Canyon Project
Engineering and Operating Committee

ADOPTION OF INSTRUCTIONS FOR ADMINISTRATION OF EXCESS ENERGY

DRAFT presented at the Regularly Scheduled Meeting on May 14, 1997

WHEREAS:

1. Section 5.4.2 of the Boulder Canyon Project Electric Service contracts states "Whenever Excess Energy is available, Western shall deliver Excess Energy in accordance with the order of priority set forth in Schedule C, shown in paragraph 5.3.4."

2. Representatives from the Bureau of Reclamation, Western, and the Contractors met on March 3, 1997, March 17, 1997, and April 7, 1997 to develop procedures for Excess Energy allocation and accounting.

THE ENGINEERING AND OPERATING COMMITTEE THEREFORE RESOLVES THAT:

The procedures for Excess Energy allocation and accounting for FY97, FY98 and all subsequent years, as described in Attachment 1 are approved. Associated formulas are described in Attachment 2.

Resolution # 97-7
of the Boulder Canyon Project
Engineering and Operating Committee

Adoption of Procedures for the Accounting
and Reconciliation of Energy

WHEREAS:

1. Section 5.4.2 of the Boulder Canyon Project Electric Service Contract states "[W]henever Excess Energy is available, Western shall deliver Excess Energy in accordance with the order of priority set forth in Schedule C, shown in paragraph 5.3.4."

2. In accordance with Section 13.7 of the Boulder Canyon Project Implementation Agreement, and in order to resolve special considerations for FY96 billing, representatives from the Bureau of Reclamation, Western, and the Contractors met to develop and recommend "Procedures for the Accounting and Reconciliation of Energy" ("Procedure") for the project.

3. The Procedure maintains consistency with the terms defined in the Boulder Canyon Project Electric Service Contract and the Boulder Canyon Project Implementation Agreement.

THE ENGINEERING AND OPERATING COMMITTEE HEREBY RESOLVES THAT:

1. The "Procedure for Accounting and Reconciliation of Energy for the Boulder Canyon Project" ("Procedure") dated May 29, 1997 and revised June 11, 1997 attached to this resolution, which should be used for FY97 and all subsequent years, is hereby approved by unanimous vote on this 10th day of July, 1997.

2. The "Energy Charge Calculation Spreadsheet" (Attachment 2) for FY96 includes a separate page for the special circumstances due to the delivery of first priority Schedule C energy to all Contractors (Attachment 2a). This attachment is not intended to be used in the future, unless similar circumstances exist.

United States Department of the Interior

BUREAU OF RECLAMATION
Lower Colorado Dams Facilities Office
P.O. Box 60400
Boulder City, Nevada 89006-0400

IN REPLY REFER TO:

LCD-1000
PRJ-1.10

AUG 07 1997

PHX AREA OFFICE
OFFICIAL FILE COPY

Date	Initial	Code
AUG 11 1997		
	BZ	G5000
		G8000

G5010

Mr. Bruce Berg
Western Area Power Administration
615 S 43rd Avenue
Phoenix AZ 85009

Subject: Approval of Resolution 97-7

Dear Mr. Berg:

Enclosed you will find a copy of the approved Resolution 97-7, of the Boulder Canyon Project Engineering and Operating Committee (E&OC). A vote was taken by fax on July 10, 1997, and the results of the vote are included as part of the enclosure.

If you have any questions or comments, concerning this Resolution please contact Ms. Tina Walter at (602) 352-2791 or Mr. Ron Ketchum at (702) 293-8810.

Sincerely,

Timothy J. Ulrich
Area Manager

Enclosure

PROCEDURE FOR ACCOUNTING AND RECONCILIATION OF ENERGY FOR THE BOULDER CANYON PROJECT

Preface. Subject to the purposes of the Boulder Canyon Project, Hoover Dam and Lake Mead shall be used: first, for river regulation, improvement of navigation and flood control; second, for irrigation and domestic uses and satisfaction of present perfected rights...; and third, for power. These purposes are contained in the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057), and in Section 5.1.1.1 of the Electric Service contract. Within those purposes the following Procedure will account for and reconcile the energy of the Boulder Canyon Project.

1. Prior to the start of the Fiscal Year, Western will compute the total estimated energy for the Boulder Canyon Project (BCP) based on data from Reclamation's 24 month studies and determine the amount of energy, including Excess Energy if any, available in the coming year. Reclamation may update such studies on a frequent basis and will provide such information to Western. Western may recalculate the total estimated energy as they deem appropriate.

2. The amount of Excess Energy will be calculated and the priority rights of Schedule C entitlement will be determined based on section 5.3.4 of the Boulder Canyon Project Electric Service Contract.

3. The total estimated Excess Energy declared for a Fiscal Year will be equally distributed over the number of months remaining in such Fiscal Year based on the following principles:

   A. The monthly entitlement to Excess Energy will be identified and each Contractor's total monthly energy target schedule (Target) will be adjusted accordingly.

   B. Estimated Excess Energy entitlement, based on the best available information, will be adjusted for actual deliveries and for changes in Reclamation's projected availability of Hoover energy as determined by Western. The adjustment in energy will occur to the Target provided by Western prior to the month of delivery.

   C. The Excess Energy entitlement in the Target, once provided by Western to the Contractors prior to each month, will not be adjusted during the month of delivery unless: a water emergency is declared by Reclamation; a significant change in Colorado River regulating conditions occur; an Uncontrollable Force impacts the Hoover generation capability; or, in order to deliver each Contractor's total entitlement.

D. During the Fiscal Year, each Contractor's Firm Energy entitlement and Excess Energy entitlement will be verified and managed, in an attempt to minimize over/under deliveries of energy, by making a correction in the Target.

4. Within six weeks after the end of the Fiscal Year, the annual Energy Reconciliation process will be completed (As exemplified in Attachment 1).

5. Deviations between the Total Adjusted Entitlements and the Total Energy Delivered for a prior fiscal year will be returned or delivered during the current Fiscal Year. A proposed schedule for return and delivery of any deviation will be sent to each Contractor within two weeks upon completion of the final Energy Reconciliation Report ("Report"). Each Contractor will respond to the Report by commenting on the proposed schedule for return and delivery of energy within two weeks of receipt. These comments will be incorporated and a final schedule for returns and deliveries will be produced by Western for the current Fiscal Year.

6. Once the Report is final, the energy reconciliation results will be used for the development of the Calculated Energy Rate. The Total Energy Delivered value in column J (Attachment 1) of the Report will be used as the Energy Deemed Delivered value for the purposes of calculating the Calculated Energy Rate in accordance with Section 13.7 of the BCP Implementation Agreement. Western will complete the annual Hoover Energy Charge Calculation Spreadsheet (Attachment 2)[1] and distribute the spreadsheet to the Contractors.

7. An example of the energy accounting for FY98 is provided (Attachment 3).

Dated: May 29, 1997
Revised: June 11, 1997

[1] Included for FY96 is Attachment 2a which is intended to implement the E&OC's Resolution # 96-4.

July 11, 1997

BOULDER CANYON PROJECT E&OC
RESOLUTION 97-7
FAX VOTING RESULTS

Entity	Name	Member/ Alternate	Vote	Date Received
Anaheim	Graham Bowen	Member	Approve	6/12/97
APA	Leroy Michael Jr.	Member	Approve	6/10/97
Azusa	Bob Tang	Member	Approve	6/11/97
Banning	Manjit Sekron	Alternate	Approve	6/18/97
Boulder City	Ned J. Shamo	Member	Approve	6/12/97
Burbank	Bruno Jeider	Member	Approve	6/16/97
Colton	Nitin Modi	Member	Approve	6/18/97
CRC	Malvin R. Ware	Alternate	Approve	6/12/97
Glendale	Larry Silva	Alternate	Approve	7/10/97
LADWP	Hoa Nguyen	Alternate	Approve	6/12/97
MWD	Debi LeVine	Member	Approve	6/12/97
Pasadena	Manuel A. Robledo	Alternate	Approve	6/13/97
Riverside	Gary Nolff	Member	Approve	6/18/97
SCE	Dennis G. Dayne	Alternate	Approve	6/12/97
Vernon	Abraham Alemu	Alternate	Approve	6/9/97
Reclamation				
Western	Bruce Berg	Member	Approve	6/10/97

Resolution #97-7
of the Boulder Canyon Project
Engineering and Operating Committee

ATTACHMENT 1
METHODOLOGY FOR ALLOCATION AND ACCOUNTING OF EXCESS ENERGY

1. Prior to the start of the fiscal year or within two weeks following Western's receipt of the latest Bureau of Reclamation(BOR) 24 month study depicting a forecast of Hoover energy availability above 4,501.001 million kilowatthours for the fiscal year, Western will compute the total estimated Excess Energy.

2. The priority of entitlement to Excess Energy will be calculated based on section 5.3 4 of the Boulder Canyon Project Electric Service Contract.

3. The total estimated Excess Energy declared for a fiscal year will be equally distributed over the maximum number of months applicable in the fiscal year.

   A. The monthly entitlement to Excess Energy will be identified and added to the Boulder Canyon Project recipients monthly energy target schedule (Target).

   B. The Excess Energy in the Target, once provided by Western to the BCP Contractors prior to each month, will not be adjusted during the month of delivery unless a water emergency is declared by the BOR or severe Colorado River regulating conditions persist.

   C. Estimated Excess Energy will be adjusted for actual deliveries and for changes in BOR's projected availability of Hoover energy as determined by Western. The adjustment in Excess Energy will occur in the Target provided by Western prior to the month of delivery.

   D. During the fiscal year, each contractors entitlements will be verified and managed to prevent over/under deliveries of entitlement by making a correction in the Target.

4. Within six weeks after the end of the fiscal year, the actual value for Excess Energy will be computed in the annual energy reconciliation process.

5. Deviations between the estimated and actual Excess Energy will be returned or delivered during the following fiscal year. A proposed schedule for return or delivery of any deviation will be sent to each contractor within two weeks upon completion of the final energy reconciliation report. Western requests that the Contractors respond stating their

comments on the proposed schedule within two weeks. These comments will be used to determine the schedule for returns or deliveries of deviation during the following fiscal year.

6. Once the energy reconciliation is final, the values of Schedule A, B and Excess Energy will be given to Western's Rates Group in order to complete their rate calculations for the prior fiscal year.

7. An example of the Excess Energy allocation and accounting methodology used for FY98 is attached.

Example of Excess Energy Allocation & Accounting Methodology

Example uses Operating Year 1998

1). Compute estimated Hoover energy for Operating Year based on availability numbers less transformer losses. The availability numbers are received from the Bureau of Reclamation 24 month study. Compute amount of total estimated excess energy, amount over 4,501,001.

HOOVER TOTAL		A Hoover Availability	B Transformer Losses	C = A - B Energy Estimate
Oct	97	227,000	2,124	224,876
Nov	97	362,000	3,387	358,613
Dec	97	405,000	3,789	401,211
Jan	98	585,000	5,473	579,527
Feb	98	515,000	4,818	510,182
Mar	98	500,000	4,678	495,323
Apr	98	535,000	5,005	529,995
May	98	545,000	5,098	539,902
Jun	98	450,000	4,210	445,790
Jul	98	401,000	3,751	397,249
Aug	98	348,000	3,256	344,744
Sep	98	285,000	2,666	282,334
		5,158,000	48,253	5,109,747

In this example: 5,109,747 - 4,501,001 = 608,746.

2). Divide total estimated excess amount by 12 to determine a monthly amount. For this example:

608,746 ÷ 12 = 50,729

This amount of energy is reduced from the total availability for each month. This reduced availability adds up to Schedule A and Schedule B entitlement for each contractor.

HOOVER TOTAL		Total (MWH)	Sch. A (MWH)	Sch. B (MWH)
Oct	97	174,148	144,634	29,514
Nov	97	307,885	255,706	52,179
Dec	97	350,482	291,084	59,398
Jan	98	528,798	439,180	89,618
Feb	98	459,453	381,587	77,866
Mar	98	444,594	369,246	75,348
Apr	98	479,266	398,042	81,224
May	98	489,173	406,270	82,903
Jun	98	395,061	328,108	66,953
Jul	98	346,520	287,793	58,727
Aug	98	294,016	244,187	49,828
Sep	98	231,605	192,354	39,251
		4,501,001	3,738,192	762,809

3). Determine values for excess energy priorities based on section 5.3.4 of the Boulder Canyon Project Electric Service Contract.

Priority 1 Excess is calculated based on previous year accumulated totals.

600,000	Priority 1 Accumulated Excess Entitlement at start of FY96
- 254,064	Priority 1 Actual Excess Energy for FY96
345,936	Priority 1 Excess Entitlement Carry Forward for FY97
+ 200,000	Priority 1 Excess Entitlement Accrued for FY97
545,936	Priority 1 Accumulated Excess Entitlement at start of FY97
-≈ *500,000*	Priority 1 *Estimated* Excess Energy for FY97
≈ *50,000*	Priority 1 *Estimated* Excess Entitlement Carry Forward for FY98
+ 200,000	Priority 1 Excess Entitlement Accrued for FY98
≈ *250,000*	Priority 1 Excess Entitlement *Estimate* for FY98

Priority 2 Excess = 26,000 If Total Estimated Excess > Priority 1 Excess
Priority 2 Excess = 26,000

Priority 3 Excess = Total Excess - Priority 1 - Priority 2
= 608,746 - 250,000 -26,000
= 332,746

The monthly values which are distributed to the contractors:

Monthly Priority 1 Excess = Priority 1 Excess ÷ 12
= 20,833 for APA

Monthly Priority 2 Excess = Priority 2 Excess ÷ 12
Monthly Priority 2 Excess = 2,167 for all contractor's based on contract %

Monthly Priority 3 Excess = (Priority 3 ÷ 3) ÷ 12 for each state monthly
9,243 Arizona - APA
9,243 California - to be divided based on Table 6 of contract
9,243 Nevada - CRC

HOOVER TOTAL		Total (MWH)	Sch. A (MWH)	Sch. B (MWH)	1st Priority Sch. C (MWH)	2nd Priority Sch. C (MWH)	3rd Priority Sch. C (MWH)	Interchange (MWH)	S(L) (MWH)	
Oct	97	224,876	144,634	29,914	20,833	2,167	27,729	0	0	Est.
Nov	97	388,813	236,706	82,179	20,833	2,167	27,729	0	0	Est.
Dec	97	401,211	291,884	58,388	20,833	2,167	27,729	0	0	Est.
Jan	98	579,837	429,180	80,614	20,833	2,167	27,729	0	0	Est.
Feb	98	510,182	381,587	77,888	20,833	2,167	27,729	0	0	Est.
Mar	98	466,323	388,346	73,348	20,833	2,167	27,729	0	0	Est.
Apr	98	529,888	398,642	81,224	20,833	2,167	27,729	0	0	Est.
May	98	539,802	408,270	82,900	20,833	2,167	27,729	0	0	Est.
Jun	98	446,780	328,188	68,963	20,833	2,167	27,729	0	0	Est.
Jul	98	387,249	287,780	56,727	20,833	2,167	27,729	0	0	Est.
Aug	98	344,744	244,187	40,828	20,833	2,167	27,729	0	0	Est.
Sep	98	282,334	182,384	39,251	20,833	2,167	27,729	0	0	Est.
		5,189,747	3,738,182	782,800	250,000	26,000	332,746	0	0	

4). The estimated excess energy is adjusted monthly based on actual deliveries. For any changes in BOR's projected availability of Hoover energy, Western will determine if the revised availability is a significant change to recalculate for the remaining months.

For example, energy deemed delivered at Mead for October 1997 is 205,000 MWh and SL is 5,000 MWh.

Step 1 is repeated using the actuals of 205,000 and 5,000 for October 1997.

HOOVER TOTAL		Hoover Availability	Transformer Losses	Energy	
Oct	97			210,000	* Actuals
Nov	97	362,000	3,387	358,613	
Dec	97	405,000	3,789	401,211	
Jan	98	585,000	5,473	579,527	
Feb	98	515,000	4,818	510,182	
Mar	98	500,000	4,678	495,323	
Apr	98	535,000	5,005	529,995	
May	98	545,000	5,098	539,902	
Jun	98	450,000	4,210	445,790	
Jul	98	401,000	3,751	397,249	
Aug	98	348,000	3,256	344,744	
Sep	98	285,000	2,666	282,334	
		4,931,000	46,130	5,094,870	

Recompute amount of total estimated excess energy.
In this example, 5,094,873 - 4,501,001 = 593,872.0

Step 2 and 3 are also recomputed but with ten remaining months instead of twelve. In the event that the estimated excess energy value significantly decreases, priority 3 excess is reduced, followed by priority 2 and priority 1 is reduced last.

In order to manage each contractors entitlement it might become necessary to make a correction in the Target. This correction will ensure each contractor is delivered only their Schedule A and Schedule B entitlement.

5). Step 4 is completed each month until August. Once the actuals for August are calculated, Western will not change the September target for any changes in excess due to the planning needs of the contractors.

6). Within six weeks from the end of the operating year, the actual value for excess energy will be computed in the annual energy reconciliation.

7). Deviations between the estimated and the actual Excess Energy will be returned or delivered during the following fiscal year.

Resolution # 97-7
of the Boulder Canyon Project
Engineering and Operating Committee

ATTACHMENT 2
DEFINITIONS AND FORMULAS FOR ENERGY ACCOUNTING AND RECONCILIATION

<u>Total Excess Energy or Schedule C Energy</u> =

(Generation - Xfmr losses + S_L) - 4,501,001 MWh

<u>Total Energy Delivered</u> =

Net Deemed Delivered at Mead + [(M_L + S_L) - (M_L + S_L) returned)]

<u>Total Entitlement</u> =

[4,501,001 OR (Sched A + Sched B)] + Excess Energy(Sched C) + Redistribution of Underruns - Reduction due to Underruns

<u>Hoover Accumulated Annual Deviation</u> =

[Total Hvr Gen - Xfmr Loss + S_L] - [Net Deemed Delivered + M_L + S_L - (M_L + S_L)Returned + Reduction due to Underruns - Redistribution of Underruns] + Previous Year Deviation

<u>Contractor's Accumulated Annual Deviation</u> =

[%Total Hvr Gen - %Xfmr Loss + %S_L] - [Contractor's Net Deemed Delivered + Contractor's M_L + Contractor's S_L - Contractor's (M_L + S_L)Returned + Contractor's Reduction due to Underruns - Contractor's Redistribution of Underruns] + Contractor's Previous Year Deviation

OR

In simplified terms:

[Energy Entitlement(MWh) - Energy Delivered(MWh)]

Example of an Energy Accounting Procedure
Example uses Fiscal Year 1998

The purpose of this example is to facilitate an understanding for the Contractors as to some of the internal energy accounting tools Western uses to verify: Firm Energy entitlements and Excess Energy entitlements; and manage and prevent over/under deliveries of energy through its energy Target process. More specifically, this example illustrates on a step-by-step basis how Western: (1) internally determines the Hoover Fiscal Year energy distribution and adjustment processes on a month-by-month basis (Tables 1,2, and 4); and (2) determines the components of the Master Schedule (Table 3) which is the only external report from this example which the Contractors receive.

1) Prior to the Fiscal Year (FY), the total estimated Hoover energy for the Fiscal Year is to be computed based on generation less transformer losses. The generation numbers are received from the Bureau of Reclamation's (Reclamation) 24 month study. Column 3 of Table 1 below results in the total energy estimate.

TABLE 1

HOOVER TOTAL			(1) Hoover Availability [1] (MWh)	(2) Transformer Losses (MWh)	(3) = (1)-(2) Energy Estimate (MWh)
	Oct	97	227,000	2,124	224,876
	Nov	97	362,000	3,387	358,613
	Dec	97	405,000	3,789	401,211
	Jan	98	585,000	5,473	579,527
	Feb	98	515,000	4,818	510,182
	Mar	98	500,000	4,678	495,323
	Apr	98	535,000	5,005	529,995
	May	98	545,000	5,098	539,902
	Jun	98	450,000	4,210	445,790
	Jul	98	401,000	3,751	397,249
	Aug	98	348,000	3,256	344,744
	Sep	98	285,000	2,666	282,334
			5,158,000	48,255	5,109,747

If the energy estimate is greater than 4,501,001 MWh, then Schedule C entitlement energy is available. In this example: 5,109,747 - 4,501,001 = 608,746 MWh Therefore, 608,746 MWh of Schedule C entitlement energy is available.

2) Divide the total estimated Schedule C entitlement energy amount by twelve to determine a monthly amount. For this example:

$$608,746 \div 12 = 50,729 \text{ MWh}$$

The Energy Estimate in column 3, as shown in Table 1 above, is reduced by the Schedule C column in Table 2 below such that the Total A&B column becomes the sum of only the monthly Schedules A and B for each Contractor. The Total AB&C column sums Schedule A, Schedule B, and Schedule C energy which results in the same monthly Energy Estimate as in Table 1.

[1] Availability represents the projected energy available from the Hoover Powerplant with consideration for the integration with the Desert Southwest Region's projects and the fungible nature of this resource in accordance with section 5.1.2.2 of the Boulder Canyon Project Electric Service Contract.

TABLE 2

HOOVER TOTAL			Sch. A (MWh)	Sch. B (MWh)	Total A&B (MWh)	Sch. C (MWh)	Total AB&C (MWh)
	Oct	97	144,634	29,514	174,148	50,729	224,876
	Nov	97	255,706	52,179	307,885	50,729	358,613
	Dec	97	291,084	59,398	350,482	50,729	401,211
	Jan	98	439,180	89,618	528,798	50,729	579,527
	Feb	98	381,587	77,866	459,453	50,729	510,182
	Mar	98	369,246	75,348	444,594	50,729	495,323
	Apr	98	398,042	81,224	479,266	50,729	529,995
	May	98	406,270	82,903	489,173	50,729	539,902
	Jun	98	328,108	66,953	395,061	50,729	445,790
	Jul	98	287,793	58,727	346,520	50,729	397,249
	Aug	98	244,187	49,828	294,016	50,729	344,745
	Sep	98	192,354	39,251	231,605	50,729	282,334
			3,738,191	762,809	4,501,001	608,746	5,109,747

3) Determine the values for the Priority Rights of Entitlement to Schedule C Excess Energy based on section 5.3.4 of the Boulder Canyon Project Electric Service Contract.

Schedule C Priority Rights are calculated based on previous year accumulated totals.

Priority Rights of Entitlement

First Priority Entitlement (MWh):

FY96		600,000	First Priority Accumulated Entitlement at start of FY96
	-	254,064	First Priority Actual for FY96
		345,936	First Priority Entitlement Carry Forward for FY97
	+	200,000	First Priority Entitlement Accrued for FY97
FY97		545,936	First Priority Accumulated Entitlement at start of FY97
	-≈	*500,000*	First Priority Estimated for FY97
	≈	*50,000*	First Priority Estimated Entitlement Carry Forward for FY98
	+	200,000	First Priority Entitlement Accrued for FY98
FY98	≈	250,000	First Priority Estimated Entitlement for FY98

Second Priority Entitlement = 26,000 MWh if Total Estimated Entitlement to Schedule C Excess Energy is greater than the First Priority Entitlement

Third Priority Entitlement = Total Schedule C Priority Entitlement to Excess Energy - First Priority Entitlement - Second Priority Entitlement
= 608,746 - 250,000 - 26,000
= 332,746 MWh

The monthly values for priority of entitlement to Excess Energy which are distributed to the Contractors are calculated as follows:

Monthly First Priority Entitlement = First Priority Entitlement ÷ 12
= 20,833 MWh for APA

Monthly Second Priority Entitlement = Second Priority Entitlement ÷ 12
= 2,167 MWh for all Contractors based on contract energy percentages.

Monthly Third Priority Entitlement = (Third Priority Entitlement ÷ 3) ÷ 12 for each state monthly

9,243 MWh Arizona - APA
9,243 MWh California - to be divided based on Table 6 of Contract
9,243 MWh Nevada - CRC

TABLE 3 (Master Schedule)

HOOVER TOTAL		Sch. A (MWh)	Sch. B (MWh)	First Priority Sch C. (MWh)	Second Priority Sch. C (MWh)	Third Priority Sch. C (MWh)	Inter-change (MWh)	Net of M(L), S(L) (MWh)	Estimated Energy Total (MWh)	
Oct	97	144,634	29,514	20,833	2,167	27,729	0	0	224,876	Ent
Nov	97	255,706	52,179	20,833	2,167	27,729	0	0	358,613	Ent
Dec	97	291,084	59,398	20,833	2,167	27,729	0	0	401,211	Ent
Jan	98	439,180	89,618	20,833	2,167	27,729	0	0	579,527	Ent
Feb	98	381,587	77,866	20,833	2,167	27,729	0	0	510,182	Ent
Mar	98	369,246	75,348	20,833	2,167	27,729	0	0	495,323	Ent
Apr	98	398,042	81,224	20,833	2,167	27,729	0	0	529,995	Ent
May	98	406,270	82,903	20,833	2,167	27,729	0	0	539,902	Ent
Jun	98	328,106	66,953	20,833	2,167	27,729	0	0	445,790	Ent
Jul	98	287,793	58,727	20,833	2,167	27,729	0	0	397,249	Ent
Aug	98	244,187	49,828	20,833	2,167	27,729	0	0	344,744	Ent
Sep	98	192,354	39,251	20,833	2,167	27,729	0	0	282,334	Ent
		3,738,191	762,809	250,000	26,000	332,745	0	0	5,109,747	

(Estimated Energy from Column 3 of Table 1)

4) The estimated energy is adjusted monthly based on actual deliveries. For any changes in Reclamation's projected availability of Hoover generation, Western will determine if the revised generation availability is a significant enough change to recalculate the energy entitlement for the remaining months.

For example, if the Total Energy Delivered for October 1997 was 210,000 MWh, then using the actuals for October 1997, the energy accounting is as follows:

TABLE 4

HOOVER TOTAL		Hoover Availability (MWh)	Transformer Losses (MWh)	Estimated Energy (MWh)	Actual Energy (MWh)	Total Actual & Estimated Energy (MWh)
Oct	97	-	-	-	210,000	210,000
Nov	97	362,000	3,387	358,613	-	358,613
Dec	97	405,000	3,789	401,211	-	401,211
Jan	98	585,000	5,473	579,527	-	579,527
Feb	98	515,000	4,818	510,182	-	510,182
Mar	98	500,000	4,678	495,323	-	495,323
Apr	98	535,000	5,005	529,995	-	529,995
May	98	545,000	5,098	539,902	-	539,902
Jun	98	450,000	4,210	445,790	-	445,790
Jul	98	401,000	3,751	397,249	-	397,249
Aug	98	348,000	3,256	344,744	-	344,744
Sep	98	285,000	2,666	282,334	-	282,334
		4,931,000	46,131	4,884,870	210,000	5,094,870

Recompute the amount of estimated Schedule C energy.
In this example, 5,094,870 - 4,501,001 = 593,869 MWh

Steps 2 and 3 for FY98 are also recomputed, but with ten remaining months instead of twelve. In the event that the estimated energy value significantly decreases, the Third Priority Entitlement is reduced first, followed by the Second Priority Entitlement, and the First Priority Entitlement is reduced last.

In order to deliver each Contractor's Total Entitlement, it might become necessary to make a correction in the Target.

5) Step 4 is completed each month through August.

6) Within six weeks from the end of the Fiscal Year, the actual value for energy will be computed in the annual energy reconciliation.

7) Deviations in energy will be returned or delivered during the following Fiscal Year.

Resolution # 97-8

May 1997

Fiscal Year 1997 Audit Procedures and Scope

Resolution # 97-8
of the
BOULDER CANYON PROJECT
Engineering and Operating Committee

Fiscal Year 1997 BCP Auditor and Audit Scope

WHEREAS:

1. Section 15 of the Boulder Canyon Project Implementation Agreement ("BCP IA") provides the procedures and process for the conduct of various financial audits of the books, records and financial statements of the Boulder Canyon Project (the "Project").

2. Section 15.3.1 of the BCP IA requires an annual audit (the "Annual Audit") of the Project to be conducted pursuant to the Chief Financial Officers Act. Section 15.3.1 states that Western, Reclamation and the BCP power contractors (the "Contractors") "...shall, through the E&OC, jointly determine the scope of work for each audit [Annual Audit] and the appropriate audit method"; and, further states that "upon concurrence as to the audit scope and the auditor, Western, Reclamation and the Contractors shall proceed with all activities to complete the audit".

3. Section 15.3.5 of the BCP IA states criteria to apply to the work scope for each Annual Audit.

4. KPMG Peat Marwick LLP ("KPMG") is under contract to the Department of Energy ("DOE") to perform annual financial audits of various DOE agency activities. KPMG is starting the third year of annual financial audits of the Project pursuant to agreements with Western and Reclamation. Western and Reclamation representatives recommend that the KPMG Fiscal Year 1997 financial audit of the Project serve as the Project Annual Audit called for by BCP IA, Section 15.3.1, with such additions to the KPMG Audit Plan as the E&OC may request. Under separate contract with the Contractors, KPMG performed the Project Initial Audit required by Section 15.2 of the BCP IA.

5. To assist it in the on-going matters related to Section 15 of the BCP IA including the preparation and presentation of recommendations to the E&OC, the E&OC

established an Initial Audit Implementation Subcommittee ("Ad-hoc Subcommittee") with representatives from Reclamation, Western and the Contractors. Among other tasks the Ad-hoc Subcommittee is charged with providing recommendations to the E&OC concerning the conduct of the Annual Audit.

6. Under cover of letter dated October 10, 1996, signed by Milton Thackery, KPMG General Partner, KPMG transmitted to the E&OC a copy of the KPMG "Audit Plan, Task Assignment NO 96-14, Financial Audit of U.S. Department of Energy, Western Area Power Administration" (KPMG Baseline Audit Scope"). The KPMG Baseline Audit Scope document constitutes the audit scope of work for the Fiscal Year 1996 Project financial audit.

7. The October 10, 1996, KPMG letter states certain specific application examples of the KPMG Baseline Audit Scope for comparison with the criteria for the Annual Audit work scope stated in Section 15.3.5 of the BCP IA .

8. The Ad-hoc Subcommittee, after thorough review of the facts and circumstances surrounding the FY 1997 Annual Audit, including the KPMG engagement by DOE and other KPMG special qualifications for preparing the FY 1997 Annual Audit, the estimated audit costs, the KPMG Baseline Audit Scope, the KPMG letter of October 10, 1996, the background and origin of the criteria contained in Section 15.3.5, and the objectives for the Annual Audit, recommends that the E&OC adopt the FY 1997 Annual Audit Procedure, attached hereto.

NOW BE IT HEREBY RESOLVED, THAT the FY 1997 Annual Audit Procedure ("FY 97 AA Procedure") attached to this Resolution #97-8, which recommends that KPMG be selected to make the FY 1997 Annual Audit, that the KPMG Baseline Audit Work Scope, with the changes as recommended in FY 97 AA Procedure, and certain procedural steps related to Contractor participation in the Annual Audit process be adopted as the FY 97 Annual Audit work scope, is approved by unanimous vote of the BCP E&OC Members present at this May 14, 1997 meeting.

BOULDER CANYON PROJECT IMPLEMENTATION AGREEMENT

FY 1997 Annual Audit Procedure

I. BACKGROUND.

Recitals 1-8 of the E&OC Resolution # 97-8 are incorporated herein as fully as if set forth word for word herein.

II. RECOMMENDATION ONE: FY 97 ANNUAL AUDIT FIRM.

Due to the facts and circumstances stated in the background, KPMG should be selected to perform the FY 1997 Annual Audit.

III. RECOMMENDATION TWO: FY 97 ANNUAL AUDIT SCOPE.

With the changes as stated in KPMG letter of April 23, 1997, (Attachment I) the KPMG Baseline Audit Scope with the explanations contained in the KPMG letter of October 10, 1996 (copies filed with the official E&OC record repository), should be adopted as the FY 1997 Annual Audit work scope.

IV. RECOMMENDATION THREE: ANNUAL AUDIT PROCESS.

The Annual Audit present practice is that the deliverables are provided to Western and Reclamation, and the entrance and exit conferences are held among Western, Reclamation, and the audit firm. Once the engagement is made, the Contractors involvement is limited to dialogue about the issued final report. The Ad-hoc Subcommittee believes the Annual Audit process and results will be improved significantly if the Contractors, acting through the Ad-hoc subcommittee, receive the deliverables and participate in the major events. Consequently, the Annual Audit process and scope should be clarified to show that the five major deliverable items will be provided to the Contractors when given to Western and Reclamation, and that the Contractors will have the opportunity to participate in the entrance and exit conferences, and other discussions on matters which could have a significant impact on the financial management of the Project. The five major deliverables are understood to consist of:

1. Provide Task Plan to COR/Technical Monitor.
2. Deliver draft financial audit report, including opinion, along with management letter reports indexed to and accompanied by supporting work papers.
3. Final financial audit reports and management letter accompanied by related work papers.
4. Deliver task assignments status reports on fifth day of each month following entrance conference.
5. Deliver basic audit requirements deficiency report (BADR) as deficiencies are noted.

V. CONCLUSION.

The Ad-hoc Subcommittee recommends that the E&OC adopt the FY 97 Annual Audit Procedure stated herein.

END

Attachment I

KPMG Peat Marwick LLP

60 East South Temple
Suite 900
Salt Lake City, UT 84111

Telephone 801 328 3000

Telefax 801 237 1552

April 23, 1997

U.S. Department of Energy
Western Area Power Administration
Phoenix Area Office
Ms. Florence Brooks
P.O. Box 6457
Phoenix, AZ 85005

To Western Area Power Administration, U.S. Bureau of Reclamation and authorized Representatives of the fifteen Boulder Canyon Project Contractors.:

This letter sets forth our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will apply the attached agreed-upon procedures to the internal controls over compliance with administrative overhead procedures and certain fiscal administration policies and procedures of Western Area Power Administration (Western) and the U.S. Bureau of Reclamation (Reclamation), collectively referred to as "management(s)" of the Boulder Canyon Project for the year ended September 30, 1997.

This engagement is solely to assist the fifteen Boulder Canyon Project Contractors, including the Arizona Power Authority, Colorado River Commission of the State of Nevada, City of Boulder City, Department of Water and Power of the City of Los Angeles, The Metropolitan Water District of Southern California, Southern California Edison Company, City of Anaheim, City of Azusa, City of Banning, City of Burbank, City of Colton, City of Glendale, City of Pasadena, City of Riverside, and City of Vernon, referred to collectively as the "Contractors", in evaluating whether managements assertion about the effectiveness of Western and Recalmation's internal control structure over compliance with administrative overhead procedures and specific fiscal administration procedures established by Resolution of the Boulder Canyon Project Engineering and Operating Committee.

Our engagement to apply agreed-upon procedures will be performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which our report is being prepared or for any other purpose.

KPMG Peat Marwick LLP

Ms. Florence Brooks
Western Area Power Administration
April 23, 1997
Page 2

Because the agreed-upon procedures referred to above do not constitute an examination, we will not express an opinion on the internal controls related to administrative overhead and compliance with certain fiscal administration policies and procedures. Our report will include a statement to that effect. In addition, we have no obligation to perform any procedures beyond those referred to in the attached procedures.

Our report will include a list of the procedures performed (or reference thereto) and the related findings. Our report will also contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. We have no responsibility to update our report for events and circumstances occurring after the date of such report.

Our report is intended solely for the use of the Contractors, Western and Reclamation and is not intended for use by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. If you request that additional specified users of the report be added, we will require that they acknowledge, in writing, their agreement with the procedures and their responsibility for the sufficiency of the procedures for their purposes.

If we are unable to complete the agreed-upon procedures referred to above, we will discuss the matter with you during the engagement. In such circumstances, we may conclude that we will not issue a report as a result of this engagement.

By approving this engagement, you agree to release KPMG Peat Marwick LLP (KPMG) and its personnel from any claims, liabilities, costs, and expenses relating to our services under this letter, except to the extent determined to have resulted from the intentional or deliberate misconduct of KPMG personnel. In the event KPMG Peat Marwick LLP is required pursuant to subpoena or other legal process to produce its documents relating to engagements for the Contractors, Western or Reclamation in judicial or administrative proceedings to which KPMG is not a party, the Contractors, Western or Reclamation shall reimburse KPMG for its professional time and expense, including reasonable attorney's fees, incurred in responding to such requests.

Based upon our discussions with and representations of Western, Reclamation and the Contractors we estimate that fees for these services will range from $11,000 to $13,000. This estimate is based on the level of expertise of the individuals who will perform the services. In addition, expenses are billed for reimbursement as incurred. Expenses for items such as travel, telephone, postage and typing, printing and reproduction of our report are estimated at $1,500. Circumstances encountered during the performance of these services that warrant additional time or expense could cause us to be unable to deliver the services within the above estimates. We will endeavor to notify you of any such circumstances as they are assessed. It is understood that neither our fees nor the payment thereof will be contingent upon the results of our engagement.

Peat Marwick LLP

Attachment I

Ms. Florence Brooks
Western Area Power Administration
April 23, 1997
Page 3

We shall be pleased to discuss this letter with you at any time. For your convenience in confirming these arrangements, we have enclosed a copy of this letter.

Very truly yours,

KPMG Peat Marwick LLP

Milton H. Thackeray, Partner

TASK 1 - ADMINISTRATIVE OVERHEAD	APPROXIMATE HOURS	COST
Verify the manner of charging administrative overhead cost pools that affect the Boulder Canyon Project (the Project) and determine whether the method of indirect cost allocation is in accordance with established procedures and is a reasonable manner of allocating overhead costs.		
Procedures		
1. Determine the methods used by Western and Reclamation to allocate indirect costs to the Project, including what allocation bases are used to allocate indirect costs by updating "initial audit" memos which documented these methods for any significant changes in the policies and procedures employed.	6	$ 0
2. Assess, through inquiry and observation, the propriety of the bases used to allocate indirect costs based on the activities carried out at the Project.	4	0
3. Compare the methods used by Western and Reclamation to allocate indirect costs to the Project and verify that they are consistent with methods used to allocate indirect costs to other projects operated by Western and Reclamation.	4	0
4. Obtain from Western and Reclamation one, two, or three schedules that illustrate the amounts of overhead costs by the types of pools (see Appendix A, B, and C for format of these schedules). NOTE: Appendix A shows changes in pools; Appendix B shows the types of indirect costs and changes in pools at a more detailed level; and Appendix C indicates where the overhead costs fit into individual financial statement line items. Verify that the amounts represented by management agree with the respective general ledgers of Reclamation and Western.	24	1,800
5. Obtain explanations from Western and Reclamation of any fluctuation greater than 10 percent or $100,000 identified in Appendix B. Review the explanations for reasonableness in light of current operations and consistency between fiscal year 1996 and fiscal year 1997.	8	600
TOTAL TASK 1	46	$ 2,400

TASK 2 - ACCOUNTING AND FISCAL ADMINISTRATION PROCEDURES (continued)	APPROXIMATE HOURS	APPROXIMATE COST
8. Inquire of Reclamation to determine whether Reclamation gave notice to Western concerning the necessary increases or decreases in the amount of the Working Capital to accumulated through or credited against charges for BCP power during the upcoming fiscal year. Also inquire to determine whether the increase or decrease is included in the annual adjustment of the Base Charge.	2	$ 150
Verify that Western and Reclamation are complying with the policies, guidelines, and procedures established by the Boulder Canyon Project Engineering and Operating Committee (E&OC) in Resolution 96-4 relating to the Excess Energy Allocation for Fiscal Year 1996.		
Procedures		
1. Read Resolution 96-4 and Attachment 1 "Procedure for Allocation of Fiscal Year 1996 Excess Energy."	1	75
2. Read Section 13.7 of the Implementation Agreement.	1	75
3. In connection with Section 13.7 of the Implementation Agreement, inquire of Western's power billing department and observe supporting schedules to determine whether they are:		
a. Determining the Calculated Energy Rate within ninety days after the end of the fiscal year.		
b. Applying the Calculated Energy Rate to each Contractor's Energy Deemed Delivered to determine the Contractor's Actual Energy Charge.		
c. Establishing a credit or debit for each Contractor based on the difference between the Contractor's Energy Dollar and the Contractor's Actual Energy Charge.		
d. Issuing a credit or a debit against the Contractor in the month following the calculation or as soon as possible thereafter.		
e. Ensuring that the sum of all such credits due the Contractors equals the sum of all debits paid by the Contractors in each year.	5	375
4. In connection with Resolution 96-4 and Attachment 1 - Procedure for Allocation of Fiscal Year 1996 Excess Energy, inquire of Western's power billing department and observe supporting schedules to determine whether:		
a. Excess energy not delivered to Arizona Power Authority (APA) during fiscal year 1996 is being delivered equally over the months of May, June, July, August, and September 1997.		
b. Excess energy to be returned to APA is resulting in a proportionate reduction in the firm energy allocation of the other BCP Contractors.		
c. APA is paying for excess energy delivered in 1996 in accordance with Section 13.7 of the Implementation Agreement as outlined in step (d) 3 above.		

TASK 2 - ACCOUNTING AND FISCAL ADMINISTRATION PROCEDURES	APPROXIMATE HOURS	COST

We have designed the following procedures based on our previous discussion with Western, Reclamation and the Contractors. It is important to note that the procedures in Task 2 focus on verifying through inquiry and observation of supporting documentation that Western and Reclamation are complying with the procedures and guidelines as established by the E&OC for purposes of fiscal administration of the Project (i.e. something is there and something is being done). The procedures are not designed to document the processes in place to accumulate data or attest to whether such data is reliable and accurate. Furthermore, the procedures do not address whether such processes are adequate to achieve the desired results.

Verify that Western and Reclamation are complying with the policies, guidelines, and procedures established by the Boulder Canyon Project Engineering and Operating Committee (E&OC) in Resolution 96-1 relating to the Uprating Credit Program.

Procedures

	HOURS	COST
1. Read the Procedures and Practices for the Administration of Section 6.5 of the Electric Service Contracts including the Appendices, Section 18 of the Implementation Agreement, and Appendix H to the Implementation Agreement in order to understand the provisions of the guidelines including understanding the obligations of both Western and Reclamation as it pertains to these documents.	6	$ 450
2. Inquire and observe supporting documentation where applicable of Western personnel to determine whether Western has complied with the following as they relate to the Debt-Funded Contractors (APA, CRC, and SCPPA):		
a. Provided notification to the Debt-Funded Contractors in May of each year requesting Credit Schedules and supporting documentation in a format consistent with the sample in Appendix 2 of the Procedures and Practices for the Administration of Section 6.5 of the Electric Service Contracts.		
b. Reviewed the Credit Schedules and supporting documentation to determine whether or not the Debt-Funded Contractors have made the periodic filings described in Appendix 2 of the Procedures and Practices for the Administration of Section 6.5 of the Electric Service Contracts.		
c. Provided written notice to the applicable Debt-Funded Contractor of the information required to correct any reporting deficiencies if such deficiencies arise in connection with step a. above. Such notice shall be provided not later than two weeks after the date the information is due. Also, copies of such notice should be provided to each E&OC member at the time it is sent to the Contractor.	4	300

TASK 2 - ACCOUNTING AND FISCAL ADMINISTRATION PROCEDURES (continued)	APPROXIMATE HOURS	COST
d. APA is paying for its undelivered FY96 excess energy delivered in FY97 at the calculated Energy Rate for FY96 in accordance with Section 13.7 of the Implementation Agreement in the monthly billing for the month in which the FY96 excess is received by APA.		
e. The other BCP Contractors are receiving a credit proportional to the amount of FY96 excess energy returned to APA in FY97.		
f. The credit is issued in the same month in which APA is billed for FY96 excess energy and that the credit amount the other BCP Contractors receive is their respective proportionate share of APA's payment for FY96 excess energy.	6	$ 450
TOTAL TASK 2	106	7,950
REPORTING	35	2,625
TOTAL	187	$ 12,975

Ongoing Operational Procedures for Visitor's Services

In connection with our annual Project audit, we review and document our understanding of the internal control structure over all significant accounting cycles. Since the revenue and cash receipts cycle is a significant accounting cycle, we review the internal controls over this cycle in connection with our annual audit. Any findings in connection with the revenue and cash receipts cycle will be documented and communicated through the management letter.

Appendix A

1996

Pool	**Total In Pool**	**Allocated to Boulder Canyon Project**	**%**
Total Denver	$ xx,xxx,xxx	$ xxx,xxx	x%
Total CPA	$ xx,xxx,xxx	$ x,xxx,xxx	xx%
Total LCRDP	$ x,xxx,xxx	$ x,xxx,xxx	xx%
Total	$ xx,xxx,xxx	$ x,xxx,xxx	x%

1997

Pool	**Total In Pool**	**Allocated to Boulder Canyon Project**	**%**	**Difference (1996 to 1997)**
Total Denver	$ xx,xxx,xxx	$ xxx,xxx	x%	1) $ xx,xxx
Total CPA	$ xx,xxx,xxx	$ x,xxx,xxx	x%	2) $ x,xxx
Total LCRDP	$ x,xxx,xxx	$ x,xxx,xxx	x%	3) $ x,xxx
Total	$ xx,xxx,xxx	$ x,xxx,xxx	x%	$ xxx,xxx

Legend:

1) provide explanation of differences here

2) provide explanation of differences here

3) provide explanation of differences here

Note:

This schedule is an example for Reclamation. A similar schedule will need to be prepared for Western

Attachment I

Appendix B

1996				1997				
		Allocated to Boulder				Allocated to Boulder		Difference
Pool	Total In Pool	Canyon Project	%	Pool	Total In Pool	Canyon Project	%	(1996 to 1997)
Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	1) $ xx,xxx
HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	2) $ x,xxx
Office expense	$ xxx xxx	$ xx,xxx	x%	Office expense	$ xxx xxx	$ xx,xxx	x%	3) $ x,xxx
Various	$ xxx.xxx	$ xx,xxx	x%	Various	$ xxx.xxx	$ xx,xxx	x%	4) $ xx,xxx
Total Denver	$ xx,xxx,xxx	$ xxx,xxx	x%	Total Denver	$ xx,xxx,xxx	$ xxx,xxx	x%	$ xx,xxx
Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	5) $ xx,xxx
HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	6) $ x,xxx
Office expense	$ xxx xxx	$ xx,xxx	x%	Office expense	$ xxx.xxx	$ xx,xxx	x%	7) $ x,xxx
Various	$ xxx xxx	$ xx,xxx	x%	Various	$ xxx.xxx	$ xx,xxx	x%	8) $ xx,xxx
Total CPA	$ xx,xxx,xxx	$ x,xxx,xxx	xx%	Total CPA	$ xx,xxx,xxx	$ x,xxx,xxx	xx%	$ xx,xxx
Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	Salaries	$ xx,xxx,xxx	$ xxx,xxx	x%	9) $ xx,xxx
HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	HC Costs	$ x,xxx,xxx	$ x,xxx,xxx	xx%	10) $ x,xxx
Office expense	$ xxx xxx	$ xx,xxx	x%	Office expense	$ xxx.xxx	$ xx,xxx	x%	11) $ x,xxx
Various	$ xxx.xxx	$ xx,xxx	x%	Various	$ xxx.xxx	$ xx,xxx	x%	12) $ x,xxx
Total LCRDP	$ x,xxx,xxx	$ x,xxx,xxx	xx%	Total LCRDP	$ x,xxx,xxx	$ x,xxx,xxx	xx%	$ xx,xxx
Grand Total	$ xx,xxx,xxx	$ x,xxx,xxx	x%		$ xx,xxx,xxx	$ x,xxx,xxx	x%	$ xxx,xxx

Legend:

1) provide explanation of differences here

2) provide explanation of differences here

3) provide explanation of differences here

4) etc.

Note:

This schedule is an example for Reclamation. A similar schedule will need to be prepared for Western

Appendix C

FINANCIAL STATEMENTS	1996	1997
Operating expenses:		
Operation and maintenance	$ xxx,xxx	$ xxx,xxx
Administrative and general	$ xxx,xxx	$ xxx,xxx
Purchased Power	$ xx,xxx	$ xx,xxx
Total operating expenses	$ xxx,xxx	$ xxx,xxx

SUPPORTING DETAIL TO TIE TO FINANCIAL STATEMENTS	1996	1997
Operation and maintenance		
xxxxxx	$ xx,xxx	$ xx,xxx
xxx xx	$ x,xxx	$ x,xxx
Overhead	$ x,xxx,xxx	$ xxx,xxx
xxxxx xxx	$ xxx,xxx	$ xxx,xxx
Total Operation and maintenance	$ xx,xxx,xxx	$ x,xxx,xxx
Administrative and general		
xxxxxx	$ xx,xxx	$ xx,xxx
xxx xx	$ x,xxx	$ x,xxx
Overhead	$ x,xxx,xxx	$ xxx,xxx
xxxxx xxx	$ xxx,xxx	$ xxx,xxx
Total Administrative and general	$ xx,xxx,xxx	$ x,xxx,xxx

SUMMARY

Overhead from Operation and maintenance	$ x,xxx,xxx	$ xxx,xxx
Overhead from Administrative and general	$ x,xxx,xxx	$ xxx,xxx
Total Overhead (this amount will agree to Appendix A and Appendix B)	$ xx,xxx,xxx	$ x,xxx,xxx

Resolution # 02-9

May 1997

Use of Working Capital to Help Mitigate Shortfall of Revenues in Fiscal Year 2002

Resolution # 02-9
of the
Boulder Canyon Project
Engineering and Operating Committee

ADOPTION OF THE USE OF THE WORKING CAPITAL TO HELP MITIGATE THE SHORTFALL OF REVENUES IN FY 2002.

WHEREAS:

1. The September 11, 2001 terrorist attacks on the United States reduced tourism world wide including Hoover Dam's Visitor Center.

2. Due to the many changes that have occurred for the Boulder Canyon Project, there is a shortfall in Project revenues for FY 2002.

3. Section 14 of the Boulder Canyon Project (BCP) Implementation Agreement defines and establishes the purpose of the Operating Amount, including a component of the Operating Amount defined as Working Capital.

4. Section 14 of the BCP Implementation Agreement further authorizes the Engineering and Operating Committee (E&OC) to annually review the sufficiency of the Operating Amount.

5. Resolution # 96-3 establishes instructions for Administration of Working Capital.

THE ENGINEERING AND OPERATING COMMITTEE THEREFORE RESOLVES THAT:

1. The $1 million in Working Capital will be used to help mitigate the shortfall in revenues during FY 2002.

2. The $1 million in Working Capital funds will be replenished, without interest, in FY 2003.

Resolution # 09-1

Revision to Resolution #97-7

Procedures for the Accounting and Reconciliation of Energy

Resolution # 09-1
of the Boulder Canyon Project
Engineering and Operating Committee

Revisions to Resolution #97-7
Procedures for the Accounting
and Reconciliation of Energy

WHEREAS:

1. Section 5.4.2 of the Boulder Canyon Project Electric Service Contract states "[W]henever Excess Energy is available Western shall deliver Excess Energy in accordance with the order of priority set forth in Schedule C, shown in paragraph 5.3.4."

2. In accordance with Section 13.7 of the Boulder Canyon Project Implementation Agreement, and in order to resolve special considerations for FY96 billing, representatives from the Bureau of Reclamation, Western, and the Contractors met to develop and recommend "Procedures for the Accounting and Reconciliation of Energy" ("Procedure") for the project.

3. The Procedure maintains consistency with the terms defined in the Boulder Canyon Project Electric Service Contract and the Boulder Canyon Project Implementation Agreement.

4. Changes to the Procedure of Resolution #97-7 were necessary in order to provide adequate time to prepare, review and address comments on the draft Energy Reconciliation Report prior to issuance of final report.

THE ENGINEERING AND OPERATING COMMITTEE HEREBY RESOLVES THAT:

1. The "Procedure for Accounting and Reconciliation of Energy for the Boulder Canyon Project" ("Procedure") dated May 29, 1997, revised June 11, 1997 and May 14, 2009 attached to this resolution should be used for FY09 and all subsequent years, is hereby approved by unanimous vote on this 20th day of May, 2009.

PROCEDURE FOR ACCOUNTING AND RECONCILIATION OF ENERGY FOR THE BOULDER CANYON PROJECT

Preface. Subject to the purposes of Boulder Canyon Project, Hoover Dam and Lake Mead shall be used: first, for river regulation, improvement of navigation and flood control; second, for irrigation and domestic uses and satisfaction of present perfected rights ...; and third, for power. These purposes are contained in the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057), and in Section 5.1.1.1 of the Electric Service contract. Within those purposes the following Procedure will account for and reconcile the energy of the Boulder Canyon Project.

1. Prior to the start of the Fiscal Year, Western will compute the total estimated energy for the Boulder Canyon Project (BCP) based on data from Reclamation's 24 month studies and determine the amount of energy, including Excess Energy if any, available in the coming year. Reclamation may update such studies on a frequent basis and will provide such information to Western. Western may recalculate the total estimated energy as they deem appropriate.

2. The amount of Excess Energy will be calculated and the priority rights of Schedule C entitlement will be determined based on section 5.3.4 of the Boulder Canyon Project Electric Service Contract.

3. The total estimated Excess Energy declared for a Fiscal Year will be equally distributed over the number of months remaining in such Fiscal Year based on the following principles:

    A. The monthly entitlement to Excess Energy will be identified and each Contractor's total monthly energy target schedule (Target) will be adjusted accordingly.

    B. Estimated Excess Energy entitlement, based on the best available information will be adjusted for actual deliveries and for changes in Reclamation's projected availability of Hoover energy as determined by Western. The adjustment in energy will occur to the Target provided by Western prior to the month of delivery.

    C. The Excess Energy entitlement in the Target, once provided by Western to the Contractor prior to each month will not be adjusted during the month of delivery unless: a water emergency is declared by Reclamation; a significant change in Colorado River regulating conditions occur; an Uncontrollable Force impacts the Hoover generation capability; or, in order to deliver each Contractor's total entitlement.

    D. During the Fiscal Year, each Contractor's Firm Energy entitlement and Excess Energy entitlement will be verified and managed, in an attempt to minimize over/under deliveries of energy, by making a correction in the Target.

PROCEDURE FOR ACCOUNTING AND RECONCILIATION OF ENERGY FOR THE BOULDER CANYON PROJECT

4. Within 6 weeks after the end of the Fiscal Year, a draft Energy Reconciliation Report (Report) will be distributed by Western to the Contractors. The Contractors shall make every effort to review and provide comments to Western's draft Report no later than 4 weeks of receipt. Western shall address, resolve comments, and issue the final Report within 4 weeks after the Contractors' comment period (As exemplified in Attachment 1).

5. Deviations between the Total Adjusted Entitlements and the Total Energy Delivered for a prior fiscal year will be returned or delivered during the current Fiscal Year. A proposed schedule for return and delivery of any deviation will be sent to each Contractor within two weeks upon completion of the final Energy Reconciliation Report. Each Contractor will respond to the Report by commenting on the proposed schedule for return and delivery of energy within two weeks of receipt. These comments will be incorporated and a final schedule for returns and deliveries will be produced by Western for the current Fiscal Year.

6. Once the Report is final, the energy reconciliation results will be used for the development of the Calculated Energy Rate. The Total Energy Delivered value in column J (Attachment 1) of the Report will be used as the Energy Deemed Delivered value for the purposes of calculating the Calculated Energy Rate in accordance with Section 13.7 of the BCP Implementation Agreement. Western will complete the annual Hoover Energy Charge Calculation Spreadsheet (Attachment 2)[1] and distribute the spreadsheet to the Contractors.

7. An example of the energy accounting for FY98 is provided (Attachment 3).

Dated: May 29,1997
Revised: June 11,1997
Revised: May 21, 2009

[1] Included for FY96 is Attachment 2a which is intended to implement the E&OC's Resolution #96-4.