



## BULK SUPPLY TARIFF

(FOR BULK SUPPLY OF ELECTRICITY ON MAIN INTERCONNECTED SYSTEM)<sup>1</sup>

APPLICABLE 1 JANUARY 2009 TO 31 DECEMBER 2009

### 1. Introduction

Pursuant to Article 74 of the Sector Law, Condition 21 of the Power and Water Procurement License and the terms of each Licensed Supplier's Bulk Supply Agreement, Oman Power & Water Procurement Company (OPWP) is required to make Bulk Supplies to Licensed Suppliers in consideration of a Bulk Supply Tariff.

This document sets out the Bulk Supply Tariff, as determined by OPWP and approved by the Authority, for the period from 1 January 2009 to 31 December 2009.

It specifies (i) the rates to be charged for Bulk Supplies made to Licensed Suppliers; (ii) the method to be used to determine the quantities of Bulk Supply chargeable to each Licensed Supplier and (iii) the arrangements for invoicing and payment.

Capitalized terms used in this document and which are defined in the Bulk Supply Agreement shall have the meanings given to them therein, and in addition:

#### **“Bulk Supply Points”**

shall mean, in respect of each Licensed Supplier, the points of connection between (i) the LTSO Transmission System, or any Production Facility or Connected System from or over which OPWP purchases electricity for the purposes of making Bulk Supplies and (ii) the Distribution System of such Licensed Supplier, or the system or Premises of any person Supplied by such Licensed Supplier other than via the Distribution System of such Licensed Supplier.

#### **“Bulk Supply Purchase Points”**

shall mean the points at which OPWP purchases electricity for the purposes of making Bulk Supplies and at which such Bulk Supplies are purchased from OPWP by Licensed Suppliers.

<sup>1</sup> This Bulk Supply Tariff is not applicable to (i) the Salalah Power System or (ii) any system operated by Rural Areas Electricity Company SAOC.



<b>“Connected System”</b>	shall mean any system other than the LTSO Transmission System or a LDSO Distribution System and which is connected to the LTSO Transmission System or a LDSO Distribution System.
<b>“LDSO Distribution System”</b>	shall mean a Distribution System of a Licensed Distribution System Operator.
<b>“LTSO Transmission System”</b>	shall mean the Transmission System of the Licensed Transmission System Operator.
<b>“Loss Adjustment Factor”</b>	shall mean, in respect of each month, the factor applied, as provided herein, to adjust quantities of electricity metered or otherwise assessed at Bulk Supply Points to quantities of Bulk Supply chargeable at Bulk Supply Purchase Points.
<b>“Main Interconnected System”</b>	shall mean the interconnected system comprising the LTSO Transmission System, LDSO Distribution Systems.
<b>“Transfer”</b>	shall mean a transfer of electricity from one Licensed Supplier to another Licensed Supplier, expressed in terms of an equivalent quantity of electricity at a Bulk Supply Point, after including any corrections for losses or other factors as may be agreed between the relevant Licensed Suppliers or otherwise determined in accordance with the Grid Code or a Distribution Code (as applicable).

## **2. Rates for Bulk Supply**

Bulk Supplies made to Licensed Suppliers shall be charged in four rate bands, based on the day of the week and the time of day that electricity is taken. The rate bands are defined in Table 1 below.



**Table 1 – Bulk Supply Rate Bands**

Rate Band	Day(s) / Time(s)
Off-Peak	All days, 02:00 to 13:00 and 17:00 to 22:00
Night-Peak	All days, 22:00 to 02:00 (following day)
Weekday Day-Peak	Saturday to Thursday, 13:00 to 17:00
Friday Day-Peak	Friday, 13:00 to 17:00

The rates (in Rial Omani per MWh) applicable for Bulk Supplies in each rate band during each month during 2009 shall be as set out in Table 2 below.

**Table 2 – Bulk Supply Rates in Rial Omani per MWh**

	Off-Peak	Night-Peak	Weekday Day-Peak	Friday Day-Peak
January – March	7	7	7	7
April	8	8	8	8
May – July	8	20	40	20
August - September	8	15	30	15
October	8	8	8	8
November– December	7	7	7	7

### **3. Determination of Bulk Supply Chargeable to each Licensed Supplier**

The rates specified in Table 2 above are applicable to Bulk Supplies made at Bulk Supply Purchase Points.

The quantity of Bulk Supply chargeable to each Licensed Supplier at Bulk Supply Purchase Points for each hour of each month shall be determined by OPWP as follows:

$$BS_h = LAF_m \times (BSM_h + T_h)$$



Where:

$BS_h$  = the Bulk Supply in MWh chargeable to the relevant Licensed Supplier for hour h;

$LAF_m$  = the Loss Adjustment Factor for month m, determined as set out below;

$BSM_h$  = the quantity of electricity in MWh metered (or deemed metered) in hour h at the Bulk Supply Points related to the relevant Licensed Supplier; and

$T_h$  = the net Transfers in MWh received (or deemed received) in hour h by the relevant Licensed Supplier, being the sum of all Transfers received (or deemed received) minus the sum of all Transfers given (or deemed given).

OPWP shall calculate  $BSM_h$  on the basis of information reported to it in accordance with the Grid Code or a Distribution Code (as applicable). OPWP shall calculate  $T_h$  on the basis of information reported to it in accordance with the Grid Code or a Distribution Code (as applicable) or as otherwise provided to it by the relevant Licensed Suppliers.

In either case, where the relevant hourly data is not reported or otherwise provided, OPWP shall estimate  $BSM_h$  or  $T_h$  using (i) daily data and representative hourly profiles provided by the Licensed Transmission System Operator or (ii) such other reasonable method as it sees fit.

OPWP shall determine the Loss Adjustment Factor on a monthly basis as follows:

$$LAF_m = \frac{TBP_m}{TBSM_m + SCS_m}$$

Where:

$LAF_m$  = the Loss Adjustment Factor for month m;

$TBP_m$  = the total quantity of electricity (in MWh) purchased by OPWP at Bulk Supply Purchase Points in month m;

$TBSM_m$  = the sum of  $BSM_h$  (as described above) for all Licensed Suppliers over all hours in month m; and

$SCS_m$  = the total quantity of electricity in MWh sold by OPWP into or over Connected Systems in month m

The Loss Adjustment Factor is expected to fall within a range of 1.01 to 1.03 but will be finally determined for each month as set out above.



#### **4. Invoicing and Payment**

OPWP shall invoice Licensed Suppliers for Bulk Supplies in accordance with the following procedure:

- (a) Immediately following the end of each month, OPWP shall estimate the quantities of Bulk Supply chargeable to each Licensed Supplier for that month using such reasonable method as it sees fit, and shall issue a preliminary invoice on the basis of such estimated quantities.
- (b) As soon as reasonably practicable following the end of each month, OPWP shall calculate, as provided in section 3 above, the quantities of Bulk Supply chargeable to each Licensed Supplier for that month, and shall issue a statement of the Bulk Supply charges payable in respect thereof. This shall be accompanied by a supplemental invoice or credit, as applicable, reflecting the adjustments required to the preliminary invoices.
- (c) As soon as reasonably practicable following the end of the calendar year, and after consultation with Licensed Suppliers, OPWP shall make a final calculation of the quantities of Bulk Supply chargeable to each Licensed Supplier for each month during the year, and shall issue a final consolidated statement of the Bulk Supply charges payable in respect thereof. This shall be accompanied by a final supplemental invoice or credit, as applicable, reflecting any further adjustments required to the previous invoices.

Payment of invoices issued as described above shall be made by Licensed Suppliers within thirty (30) days of receipt. Where a credit is issued to a Licensed Supplier as described above, the Licensed Supplier may either (i) deduct such amount from subsequent payment(s) of Bulk Supply charges to OPWP or (ii) request, in writing, that the relevant amount be refunded in cash by OPWP, in which case OPWP shall make such payment within thirty (30) days of receipt of the request.

#### **5. Amendments**

Under certain circumstances it may become necessary to amend this Bulk Supply Tariff during its period of application. Any such amendment shall only be made in accordance with the OPWP License and with the approval of the Authority. OPWP shall provide Licensed Suppliers with details (including the date of application) of any amendment on a timely basis.

**Alastair de Reuck**  
**Chief Executive Officer**