



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457
NOV 24 2004

Dear Parker-Davis Project Electric Service Customer:

The purpose of this letter is to provide an update on the status of Contract Extension Amendments for the Parker-Davis Project Electric Service Contracts. The Western Area Power Administration (Western) sent letters dated September 27, 2004 and October 5, 2004 with copies of the revised Section 12 language for the Parker-Davis Project Electric Service Contract Extension Amendment enclosed. Western's Administrator met with several customers on October 18, 2004 to discuss Section 12. The October 19, 2004 letter from Western's Administrator and the minutes of the October 18, 2004 meeting have been posted to Western's Desert Southwest Region Web site at www.wapa.gov/dsw/pwrmtk.

Several comments were received by the close of the comment period on October 27, 2004. Western will wait to offer Contract Extension Amendments until Western has had the opportunity to consider all comments and issues raised during the comment period.

If you have any questions or would like further discussion of any issues, please feel free to give me a call at (602) 352-2555.

Sincerely,

A handwritten signature in cursive script that reads "Jean Gray".

Jean Gray
Assistant Regional Manager
for Power Marketing