

WRITTEN RESPONSES TO QUESTIONS REMAINING FROM THE PUBLIC INFORMATION FORUM

Question: In the event DSW requires customers to pay for long term transmission service in advance, if for example, the payment for January (due in December) is a few days late due to bank or other administrative errors, what is Western's process for collecting late payments and/or terminating transmission service due to non-payment? If service is terminated for non-payment, does the customer have to re-apply for service as if they were a new customer?

Answer: WAPA accounting policy as well as the Department of Energy Accounting Handbook state in the event of a late payment, a "dunning" or collection letter is to be sent once the debt becomes 30 days past due. To use the example given of a January service bill due in December, Western would typically send the advance bill for January service on or about December 5th and it would be due not later than December 25th. If payment was not received by the end of December, the first dunning letter would be mailed (approximately 30 days from the date of the invoice). The letter would give the customer a maximum of 30 days from the date of the letter to cure the default.

Similarly, Western's Tariff states that in the event a transmission customer fails to make payment when due of an amount not in dispute, and "such failure is not corrected within 30 calendar days" after Western has provided notice, a default is deemed to exist. During the same 30 calendar day period after notice of failure to make payment the customer has the right of appeal to the Administrator of Western. *Service may not be terminated until Western's Administrator has made a determination on the customer's appeal.*

If the Administrator's decision is against the customer and a default is declared, in accordance with its General Power Contract provisions, Western has the right, upon not less than 15 days advance written notice to the customer to discontinue service for non-payment in full of an invoice for transmission service. In the event service is ultimately terminated, the customer's reservation would be offered to all potential purchasers via posting on the OASIS, and the customer would in fact be required to re-apply for that service.

Question: What would have been the 230/345/500-kV rate under the FY 1999 ratebase?

Answer: The firm point-to-point transmission service rate for the 230/345/500-kV transmission system would have been \$14.30 kW-Yr using the FY 1999 ratebase.

Question: Can Western provide a pinch point graph that shows the peaks "smoothed out"?

Answer: Yes, the requested graph is being developed and will be posted on Western's website at <http://www.wapa.gov/dsw/pwrmkt/Intertie/RateAdjust> when completed.