Dear Customers and Interested Parties,

On Oct. 12, 2017, WAPA published a Federal Register Notice with a "Recommendation for the Western Area Power Administration Loveland Area Projects and Colorado River Storage Project to Pursue Final Negotiations Regarding Membership in a Regional Transmission Organization."

The FRN solicited input from customers and other interested parties on the recommendation for CRSP and LAP to join the Southwest Power Pool Regional Transmission Organization as one of seven participants in the Mountain West Transmission Group. Mountain West was an informal collaboration of electricity service providers formed in early 2013 to evaluate an array of options ranging from a common transmission tariff to regional transmission organization membership. For more information on the initiative, please see the Mountain West Transmission Group section of WAPA’s website.

Thank you to those who participated in the FRN comment period. Over the course of 45 days, we received 105 written comments from 15 entities and received input from about 60 individuals who attended three public information forums. WAPA posted the written comments and our responses on January 10, 2018 on WAPA’s website. We learned through the process that the majority of WAPA’s customers and other interested parties were generally supportive of WAPA’s recommendation to join the Southwest Power Pool along with the other Mountain West participants.

However, since April of 2018, two of the seven participating utilities have withdrawn from Mountain West. Their withdrawal has changed the fundamental economic and operational dynamics of the initiative. As a result, we have determined that the most prudent course of action at this time is to defer further Mountain West activity while continuing to evaluate opportunities to optimize the use of generation and transmission resources. We appreciate the strong collaborative partnerships with our customers and within Mountain West. We remain committed to working with neighboring entities across our 15-state footprint to develop strategies to adapt to the evolving electric industry.

We will continue to work diligently to market and deliver reliable, cost-based, hydroelectric power to our preference customers consistent with sound business principles. We greatly appreciate your continued support and engagement as we determine the best way to achieve our mission in the new energy frontier.

Sincerely,

Mark A. Gabriel
Administrator and CEO
Western Area Power Administration

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