



Department of Energy
Western Area Power Administration
299 South Main Street, Suite 200
Salt Lake City, UT 84111

September 30, 2020

Sent via E-mail

Dear Salt Lake City Area Integrated Projects Customer:

Under your firm electric service contract, Western Area Power Administration (WAPA) assesses energy and demand charges as set forth in Rate Schedule SLIP-F11. Additionally, under this rate schedule, a Cost Recovery Charge (CRC) may also be assessed if WAPA determines it is necessary.

WAPA is required to notify its customers by October 1, 2020, if a CRC is needed in the next calendar year (CY). We have reviewed our financial situation compared to the anticipated hydropower generation levels and determined there will be no CRC for CY 2021. Because there is no CRC, there is no need for action on your part.

Had the CRC been necessary, each customer would have been provided with two sets of energy numbers for the next CY. One set would have shown the full Sustainable Hydropower (SHP) energy allocation, and the other set would have shown a lower SHP allocation. Under this scenario, each customer would then decide whether to accept or decline the CRC. Customers accepting the CRC would receive the full SHP allocation and be charged the additional expense of the CRC. Those customers declining the CRC would avoid the charge, but receive less energy from WAPA in the next fiscal year.

Since a CRC is not necessary for CY 2021, WAPA will not be providing alternative energy and capacity allocations. WAPA will proceed as normal with the previously provided Winter Season attachment.

If there are any questions, please contact Tony Henriquez at (801) 524-6388 or THenriquez@wapa.gov.

Sincerely,

J. Adam Arellano
Acting Vice President of Power Marketing
CRSP Management Center