



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

MAY 17 2005

Dear AC Intertie, Parker-Davis, Central Arizona Project Customers, and Interested Parties:

The Public Information Forum for the DSW Multi-System Transmission Rate (MSTR) public process extension was held on March 29, 2005. The Public Comment Forum was held on April 6, 2005. Copies of the transcripts are available upon payment of the required fee to the court reporter. The comment period closes June 1, 2005.

During the Public Information Forum, several customers commented on the material presented and Western responded to these comments during the proceedings. The additional comment not already responded to is covered below.

Comment: The commenter was concerned that setting a rate based on a market review does not give a customer information as to how that rate will change in the future.

Reply: Consistent with Western's rate setting process, the MSTR will be effective for five years and Western believes the proposed MSTR methodology poses no greater risks for those customers who take the multi-system service than any other project. All comments received during the rate setting process are considered. In addition, customers can intervene at the Federal Energy Regulatory Commission if they feel that their comments have not been dealt with in a satisfactory manner during the public process. However, it must be pointed out that the MSTR as proposed offers customer choice and is completely voluntary.

This letter is posted on Western's website at www.wapa.gov/dsw/pwrnkt/MSTRP/MSTRP.htm.

If you have any questions regarding the enclosed information, feel free to call me at 602-605-2442 or Bill Snowden at 602-605-2766.

Sincerely,

A handwritten signature in cursive script that reads "Jack D. Murray".

Jack D. Murray
Rates Team Lead

bcc:

J. Horst, B6100.BL, Billings, MT
D. Payton, J6100, Loveland, CO
C. Loftin, L6100, Salt Lake City, UT
D. Dietz, N6100, Folsom, CA

G0000 (Carlson)
G1000 (Acting)
G4000 (Montoya)
G4100 (Calkins)
G4200 (Acting)
G6000 (Gray)
G6100 (Murray)
G6130 (Statler)
G6140 (Snowden)
G6150 (Simmons)
G6160 (Jordan)
G6200 (Oretta)
G6300 (Casey)
G8000 (Emler)

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