



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

**DEC 29 2015**

Dear Central Arizona Project Transmission Service Customers and Interested Parties:

The Deputy Secretary of Energy approved Rate Order No. WAPA-172 and Rate Schedules CAP-FT-3, CAP-NFT3, and CAP-NITS3, placing transmission service formula rates into effect on an interim basis. These provisional formula rates are effective January 1, 2016, and will remain in effect until the Federal Energy Regulatory Commission confirms, approves, and places them into effect on a final basis.

Western Area Power Administration (Western) has calculated the calendar year 2016 rates for firm and non-firm point-to-point transmission services under Rate Schedules CAP-FT3 and CAP-NFT3. The rates are as follows:

Firm Transmission (CAP-FT3)  
\$/kW-year \$14.88  
\$/kW-month \$ 1.24

Non-firm Transmission (CAP-NFT3)  
1.70 mills/kWh

Under Rate Schedule CAP-NITS3 for Network Integration Transmission Service, the annual revenue requirement for calendar year 2016 is \$13,097,515.

Information about this rate adjustment process is available on Western's website at <https://www.wapa.gov/regions/DSW/Rates/Pages/central-arizona-rates.aspx>.

If you have any questions or need additional information, please contact me at (602) 605-2442 or Christina Vides at (602) 605-4478.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott R. Lund".

Scott R. Lund  
Rates Manager

Bcc:

A0000

A2600

G0000

G0002

G0200

G0400

G0700

G1000

G5000

G6000

G6100

G8000

J7001

J. Kral, A0200, Lakewood, CO

J. Aust, A2700, Loveland, CO

B. Fisher, A2900, Loveland, CO

D. Buck, J4000, Loveland, CO

R. Easton, J7000, Loveland, CO

G6120:CVides:x4478:12/29/15: R:\Groups\G6000\CUSTOMER EMAILS SENT  
OUT\CY2016\CAP FRN Notice\CAPFRN Customer Letter WAPA-172.pdf