



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

AUG - 8 2016

Dear Parker-Davis Project Customers and Interested Parties:

Rate Order No. WAPA-162 for the Parker-Davis Project (P-DP) requires annual calculations of the charges for firm electric and transmission services. Western Area Power Administration (WAPA) has calculated the charges for fiscal year 2017.

These charges include adjustments to the Bureau of Reclamation's Ten-Year Plan approved at the Advancement of Funds (AOF) Funding Board Meeting held on July 21, 2016. As a result of these changes, the energy and capacity components of the firm electric service rate have increased from the estimates presented at WAPA's informal meeting held on June 16, 2016. The firm electric and transmission service charges for fiscal year 2017 are as follows:

Energy and Capacity Components of Firm Electric Service (PD-F7)

| | |
|-----------|-----------------|
| Capacity | \$2.42/kW-Month |
| Energy | 5.52 mills/kWh |
| Composite | 11.03 mills/kWh |

Long-Term Firm Point-to-Point Transmission Service (PD-FT7)

| | |
|---------|------------------|
| Yearly | \$17.16/kW-Year |
| Monthly | \$ 1.43/kW-Month |

Short-Term Firm Point-to-Point Transmission Service (PD-FT7)

| | |
|---------|-----------------|
| Monthly | \$1.43/kW-Month |
| Weekly | \$0.33/kW-Week |
| Daily | \$0.047/kW-Day |
| Hourly | 1.96 mills/kWh |

Nonfirm Transmission Service (PD-NFT7)

| | |
|--------|----------------|
| Hourly | 1.96 mills/kWh |
|--------|----------------|

Firm Transmission Service of Salt Lake City Area Integrated Projects Power (PD-FCT7)

| | |
|----------|------------------|
| Seasonal | \$8.58/kW-season |
| Monthly | \$1.43/kW-month |

Information concerning the P-DP rates will be available for review on WAPA's website at <https://www.wapa.gov/regions/DSW/Rates/Pages/parker-davis-rates.aspx>. If you have any questions or need additional information, please contact me at (602) 605-2442 or Florence Brooks at (602) 605-2479.

Sincerely,

Scott R. Lund
Rates Manager