



Department of Energy
Western Area Power Administration
Rocky Mountain Customer Service Region
P.O. Box 3700
Loveland, CO 80539-3003

OCT 04 2013

Dear Firm Power Customer:

As part of the current rate schedules placed into effect under our Rate Order No. WAPA-146, Western Area Power Administration (Western) is required to conduct a preliminary review in the spring and a final review in the fall of the Loveland Area Projects (Pick-Sloan Missouri Basin Program -- Western Division and Fryingpan-Arkansas Project) (LAP) Firm Power Rate Drought Adder (Drought Adder) component each year.

This letter is to notify our customers that Western has completed its final review of the Drought Adder component for 2013 and serves as final notice that Western is not changing the Drought Adder component of the LAP Firm Power Rate in January 2014.

Please note the LAP rate schedules have a five-year term and will expire December 31, 2014. Therefore a rate process will be initiated in the spring of 2014 to put new rate schedules in place. Customers will be notified of the formal rate process timeline as soon as it is finalized.

If you have any questions concerning this notice or the firm power calculation, please contact Sheila Cook, Rocky Mountain Region Rates Manager, at (970) 461-7211 or by e-mail at scook@wapa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "David Neumayer", written over a horizontal line.

David Neumayer
Power Marketing Manager