



Department of Energy
Western Area Power Administration
Sierra Nevada Region
114 Parkshore Drive
Folsom, CA 95630-4710

April 28, 2020

Sierra Nevada Customer Notification: Intent to File New Formula Rates

Western Area Power Administration (WAPA) Sierra Nevada (SN) Region plans to file new formula rate schedules under Rate Order No. WAPA-194, for the following reasons:

- WAPA-SN's decision to participate in the California Independent System Operator's (CAISO) Western Energy Imbalance Market (WEIM), which requires new formula rates to reflect costs associated with WEIM;
- The Balancing Authority of Northern California (BANC) is implementing Frequency Response Reserve (FRR), a new Balancing Authority Area (BAA) requirement; and
- WAPA-SN is aligning its sale of surplus energy and capacity with other WAPA regions.

We are proposing to conduct a minor rate adjustment process from May of 2020 through October 2020 to set rates into effect April 1, 2021, through December 31, 2024. WAPA will start the process with an informal customer meeting on May 11, 2020, at 9:00am to noon PDT.

After completing the informal process, by July 2020, WAPA-SN will start the formal process by publishing a notice of Proposed Rate Adjustment in the *Federal Register* and allow for a 90-day comment period.

"Save the Date" email appointment invitations will be sent out within the upcoming weeks for WAPA-SN informal and formal rate process meetings.

WAPA-SN will continue to provide annual rate updates, forecasts, and other information customers seek, in writing, at customer meetings, and on WAPA's website.

Please visit the following page <https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx> for the latest information on this process.

Feel free to reach out with questions at SNR-RateCase@wapa.gov.