



Department of Energy
Western Area Power Administration
Upper Great Plains Customer Service Region
P.O. Box 35800
Billings, MT 59107-5800

AUG 08 2014

Dear Firm Power Customer and Other Interested Parties:

This letter provides notice of publication in the Federal Register of the Western Area Power Administration's (Western) Proposed Rates for the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED) firm power and firm peaking service on August 8, 2014. This publication begins the formal 30 day comment period which will end on September 8, 2014. Western is enclosing a copy of the published Federal Register notice, which is also available on our Web site at <http://www.wapa.gov/ugp/rates/2015FirmRateAdjust>.

The current rate schedules for firm power and firm peaking service, Rate Schedules P-SED-F11 and P-SED-FP11, expire December 31, 2014. The proposed rate schedules are scheduled to become effective on an interim basis on the first day of the January 2015 billing period and be effective for another 5-year period. Western is not proposing a change to the overall rates. Western is proposing modifications to the charge components in order to true up the base and drought adder charges, which requires a minor rate adjustment process. This letter also serves as advance notification of changes to the Drought Adder component of the rate, as required under the current annual review process.

Western will finalize the proposed rates after public comments are reviewed and considered. Western welcomes your participation in the rate adjustment process and will provide additional information on the process as it becomes available.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jody S. Sundsted".

Jody S. Sundsted
Power Marketing Manager

Enclosure