



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

MAR 17 2009

Dear Firm Power Customer and Other Interested Parties:

The Rocky Mountain Region (RMR) and the Upper Great Plains Region of Western Area Power Administration (Western) are hosting two informal meetings to discuss the proposed firm power rate adjustments for the Loveland Area Projects (LAP) and the Pick-Sloan Missouri Basin Program-Eastern Division. The meetings will be held at the following times and locations:

April 15, 10:00 AM CDT
Holiday Inn
100 West 8th Street
Sioux Falls, South Dakota
(605) 339-2000

April 16, 10:00 AM MDT
Ramada Plaza Hotel
10 East 120th Avenue
Northglenn, Colorado
(303) 452-4100

With the continued drought in the Missouri River basin, the present study work indicates that current firm power rates are not sufficient and increases are needed effective January 1, 2010. At the above meetings, Western will share the most current information on conditions and issues impacting the firm power rates. Western plans to present the base and drought adder components of the impending rate adjustments through formal rate processes in early summer. Western would like your input on the assumptions used in the studies prior to the formal processes.

For your information and prior to the meetings, please check the information posted on the website listed below. The most up-to-date information concerning the LAP rate adjustment will be posted at <http://www.wapa.gov/rm/ratesRM/2010/default.htm>

Following the informal rate adjustment meeting in Denver, the RMR will be holding a public comment forum on the LAP Post-2009 Resource Pool-Proposed Power Allocations. A Federal Register Notice (FRN) for the resource pool will be published later this month. Once the FRN is published, it will be posted on Western's website at (<http://www.wapa.gov/rm/PMcontractRM/Post2009.html>) The FRN publication will begin the formal 30-day comment period on the proposed power allocations. The public comment forum will start at 1:00 pm MDT, April 16, 2009, at the Ramada Plaza Hotel, 10 East 120th Avenue, Northglenn, CO.

If you have any questions prior to the meetings, please contact:

Firm Power Rate Adjustments

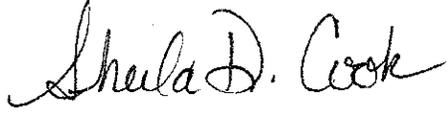
Sheila Cook
Rocky Mountain Region Rates Manager
(970) 461-7211

LAP Post-2009 Resource Allocation

Melanie Reed
Contracts and Energy Services Manager
(970) 461-7229

Western looks forward to meeting with you in April.

Sincerely,


for David Neumayer
Federal Power Programs Manager