



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

**AUG 08 2019**

Dear Parker-Davis Project Customers and Interested Parties:

Rate Order No. WAPA-184 for 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 (FY) 2020.

These charges include adjustments to the Bureau of Reclamation's (Reclamation) Ten-Year Plan approved at the Advancement of Funds Funding Board Meeting held on July 17, 2019. To moderate increases to the generation charges, Reclamation replacements will be amortized over their 40-year service life (50 years for irrigation assets). The interest cost of this amortization over a 40-year service life would be approximately \$4 million and reduces the increase of the FY 2020 composite charge by 6 percent.

To moderate increases to the transmission charges, WAPA will defer the FY 2020 principal payment as presented and discussed at the rate meeting on June 10, 2019. Although the deferral of principal will result in minor increases in interest costs, it will not materially affect the repayment of the project.

The firm electric and transmission service charges for FY 2020 are as follows:

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

Capacity	\$2.84/kW-Month
Energy	6.49 mills/kWh
Composite	12.97 mills/kWh

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

Yearly	\$19.80/kW-Year
Monthly	\$ 1.65/kW-Month

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

Monthly	\$1.65/kW-Month
Weekly	\$0.3808/kW-Week
Daily	\$0.0543/kW-Day
Hourly	2.26 mills/kWh

**Non-Firm Transmission Service (PD-NFT7)**

Hourly	2.26 mills/kWh
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Firm Transmission Service of Salt Lake City Area Integrated Projects Power (PD-FCT7)	
Seasonal	\$9.90/kW-season
Monthly	\$1.65/kW-month

Information on the P-DP charges is 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 Florence Brooks at (602) 605-2479 or [brooks@wapa.gov](mailto:brooks@wapa.gov).

Sincerely,



Jimmy Kendrick  
Vice President of Power Marketing  
for Desert Southwest Region