



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

Dear Firm Electric Service Customer:

As part of the current rate schedule, placed into effect January 1, 2023, under Rate Order No. WAPA-202, Western Area Power Administration (WAPA) will conduct a preliminary review of the Loveland Area Projects (LAP) Firm Electric Service Rate Drought Adder component in early spring to provide customers advance notice of any foreseen changes to the Drought Adder component. In the fall, WAPA will complete a final review of drought conditions and provide notification of any change to the Drought Adder component of the rate schedule that would take effect on January 1 of the of the following year.

WAPA is using this letter to notify customers that the preliminary review resulted in no estimated change to the Drought Adder component of the LAP Firm Electric Service Rate in January 2024. The charges for the LAP Firm Electric Capacity and Energy rates are as follows:

	<b>Capacity (\$/kW month)</b>	<b>Energy (mills/kWh)</b>	<b>Est. Change</b>
Base Component	\$4.36	16.63	0
Drought Adder Component	\$0.44	1.68	0
Total Rate	\$4.80	18.31	0

WAPA will continue to monitor area water conditions through this fall and will send a final notification in October 2023 of any changes to the Drought Adder component for January 2024. Please note, a change to the Drought Adder component is not likely, however, we are required to evaluate the water and generation conditions two times each year and inform our customers of any planned change to the Drought Adder component.

Information concerning the firm electric service rate can be found on our website at [www.wapa.gov/regions/RM/rates/Pages/rates.aspx](http://www.wapa.gov/regions/RM/rates/Pages/rates.aspx). If you have any questions concerning this notice, please contact me at (970) 685-9562 or [scook@wapa.gov](mailto:scook@wapa.gov).

Sincerely,

Sheila D. Cook  
Rates Manager  
Rocky Mountain Region