



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

Dear Firm Power Service Customer:

As part of the current rate schedules, placed into effect January 1, 2023, under Rate Order No. WAPA-203, Western Area Power Administration (WAPA) will conduct a preliminary review of the Pick-Sloan Missouri Basin Program (Pick-Sloan)--Eastern Division Firm Power 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 schedules that would take effect on January 1 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 Pick-Sloan--Eastern Division Firm Power Rate in January 2024. The charges for the Pick-Sloan--Eastern Division Firm Power Capacity and Energy rates are as follows:

	Capacity (\$/kW month)	Energy (mills/kWh)	Est. Change
Base Component	\$5.45	13.36	0
Drought Adder Component	\$0.75	1.91	0
Total Rate	\$6.20	15.27	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 power service rate can be found on our website at www.wapa.gov/regions/UGP/rates/Pages/rates.aspx. If you have any questions concerning this notice, please contact me at (406) 402-4791 or cady@wapa.gov.

Sincerely,

Linda Cady-Hoffman
Rates Manager
Upper Great Plains Region

bcc:

G. Hoffman, A0200, Lakewood, CO

T. Waugh, A0800, Lakewood, CO

B. Barnhart, J0000, Loveland, CO

D. Neumayer, J6000, Loveland, CO

S. Cook, J6100, Loveland, CO

T. Gheller, J6100, Loveland, CO

B. Wayker, J6100, Loveland, CO

B0000.BL, L. Linke

B6000.WT, L. Frisk

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(w/copy of enclosure)

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Drought Adder Letter