



Department of Energy
Western Area Power Administration
Sierra Nevada Region
114 Parkshore Drive
Folsom, California 95630-4710

MAR 14 2018

To Central Valley Project Interconnected Customers and Interested Parties:

Effective April 1, 2018, the Western Area Power Administration's (WAPA) Regulation and Frequency Response rate will be \$4.18 per kilowatt-month (kW-Month).

In accordance with Rate Order No. WAPA-173, Rate Schedule CV-RFS4, WAPA will revise the rate when either of the following conditions occurs: (a) WAPA receives updated financial data in March of each year; or (b) a change in the numerator or denominator that results in a rate change of at least \$ 0.25 per kW-Month. Based on updated financial and operational data for fiscal year 2017, the rate change is a decrease of \$0.72 per kW-Month, which is primarily due to a 218 MW increase in generation capacity usage.

The new rate and revenue requirement are listed in the table below.

Rate Schedule	Current Rate	New Rate
CV-RFS4	April 1, 2017, through March 31, 2018	Effective April 1, 2018, until superseded
Regulation and Frequency Response	Rate or Revenue Requirement	
\$/kW-Month	\$4.90	\$4.18
Annual Revenue Requirement	\$1,587,761	\$1,353,993

If you have any questions regarding the above information, please contact Jennifer Henn at (916) 353-4686 or by email at jhenn@wapa.gov.

Sincerely,

ORIGINAL SIGNED BY
Steve Richardson
FOR

Regina Rieger
Rates Manager