



**Department of Energy**  
Southwestern Power Administration  
One West Third Street  
Tulsa, Oklahoma 74103-3502

**JUN 25 2014**

NOTICE

To Customers and Interested Parties:

This is to inform you that Southwestern Power Administration (Southwestern) has completed its 2014 review of the continuing adequacy of the existing hydroelectric power rates for the Sam Rayburn Dam Hydropower Project.

This review indicated that a revenue increase of 2.5 percent (\$104,988 annually) would be sufficient to satisfy repayment requirements. However, the 2.5 percent increase falls within Southwestern's practice to defer revenue adjustments for isolated projects if such adjustments are within plus or minus five percent in order to provide rate stability, save on the administrative cost of implementation, and recognizing that the revenue sufficiency will be re-examined in next year's rate study. Therefore, Southwestern will defer the implementation of a revenue increase and continue under the current rate schedule.

The currently approved rate schedule expires on September 30, 2017. Next year's (2015) Sam Rayburn Dam Power Repayment Study will be used to determine the adequacy of the existing rate to recover costs and will dictate any future need for a rate filing with the Federal Energy Regulatory Commission.

Southwestern will continue to work closely with our customers in preparing the 2015 Power Repayment Studies. If you have any questions, please contact Fritha Ohlson at (918) 595-6684 or Alex Hodge at (918) 595-6703.

Sincerely,

A handwritten signature in black ink, appearing to read "C. M. Turner", written over a horizontal line.

Christopher M. Turner  
Administrator