



Department of Energy
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228-8213

February 28, 2023
Mr. Patrick Ledger
Chief Executive Officer
Arizona Electric Power Cooperative, Inc.
Via Email

Dear Patrick:

Thank you for your February 17, 2023, letter and for the discussion on February 21, 2023, at our Desert Southwest Regional Office. I, along with members of our senior leadership team, appreciate the opportunity to hear directly from you and other customers on key business interests.

We appreciate your concerns about the potential risks to deliverability of your CRSP allocations as the resource adequacy and market constructs in the West continue to evolve. You requested written assurance from WAPA before February 28, 2023, of WAPA's commitment to implement or support the implementation of a dynamic transfer signal or pseudo tie from Glen Canyon to WALC as a part of any future CRSP SPP RTO membership.

I am writing to assure you of our commitment to our organizations working together to identify possible technical solutions to meet your identified business needs. Jack Murray, Senior Vice President and Desert Southwest Regional Manager, and Rodney Bailey, Senior Vice President and Colorado River Storage Project Manager will co-sponsor this technical evaluation.

In the meantime, I have authorized our WAPA team to proceed with initiating a Federal Register notice (FRN) process. Please note, WAPA's proposed FRN process is designed to seek public comment on a recommendation to initiate steps toward final negotiations with SPP and is not a recommendation to execute a Membership Agreement. WAPA will not enter final negotiations with SPP and execute a Membership Agreement until after a meaningful public process is complete. If that occurs, it will likely be in late June 2023. We will keep all customers apprised throughout the process.

Thank you for your continued partnership during this time of rapid industry evolution. We appreciate your support in ensuring WAPA continues to deliver on its mission.

A handwritten signature in black ink, appearing to read "T. LeBeau", with a long horizontal line extending to the right.

Tracey A. LeBeau
Administrator and Chief Executive Officer