KELLY J. BARR, ESO. Manager, Regulatory Affairs & Contracts

SALT RIVER PROJECT

P. O. Box 52025 Phoenix, AZ 85072-2025 (602) 236-5262 Fax (602) 236-3458 kjbarr@srpnet.com

March 8, 2004

Mr. Terry Fronterhouse Manager, Pipeline Safety Arizona Corporation Commission 2200 N. Central Suite No. 300 Phoenix, Arizona 85004

Dear Mr. Fronterhouse:

On May 1, 2001 the Commission granted SRP a Certificate of Environmental Compatibility (CEC) for the Santan Expansion Project in Decision Number 63611. Condition 39 of the CEC decision requires that "Applicant shall provide \$20,000 to the Pipeline Safety Revolving Fund on an annual basis, thus improving the overall safety of pipelines throughout the State of Arizona."

In complying with that provision, enclosed is a check in the amount of \$20,000, made payable to the Arizona Corporation Commission, for deposit in the Pipeline Safety Revolving Fund. This check should fully satisfy compliance with Condition 39 for the year ending April 30, 2004.

Please feel free to contact me if you have additional questions or concerns.

Sincerely,

Kelly J. Barr

Enc.

cc: Docket Control

Kelly J. Ban