

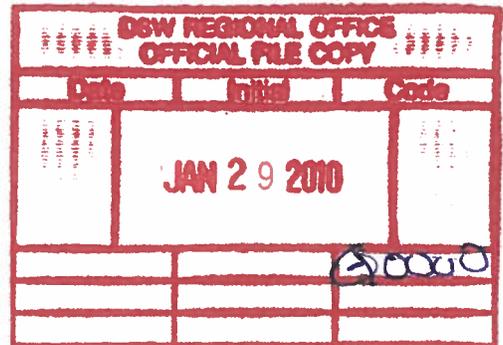


Sulphur Springs Valley Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 

January 29, 2010

Mr. Darrick Moe
Desert Southwest Regional Manager
Western Area Power Administration
Post Office Box 6457
Phoenix, AZ 85005-6457



Via Facsimile: 602-605-2490
Via Email: post2017bcp@wapa.gov

Re: Comments on the Boulder Canyon Project Post – 2017 Application of the Energy Planning and Management Program Power Marketing Initiative

Dear Mr. Moe:

Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC) is a distribution electric Cooperative organized under the laws of the State of Arizona. SSVEC serves approximately 52,000 meters and with a projected load of 224 MW in 2017. The following are the comments concerning the Boulder Canyon Project Post 2017 Power Marketing Initiative

Resource Pool: The Resource Pool is too small. Most Western Resource Pool percentages have previously been established between six and eight percent and we believe that the Resource Pool should be established at 8%.

Renewable Energy Resource Requirement: Recognizing the daily patterns of wind and sun and other features of renewable energy resources, it is vitally important that the resource pool be sufficiently large so that meaningful allocations to new customers can be made of the Hoover resource which has a characteristic that will allow it to support implementation of renewable energy projects and integration of those projects into an electrical operating system.

For a period of 70 years the Arizona Power Authority has operated under a law that discriminates in the allocation of Hoover in Arizona and should not be allowed to continue for an additional 30 years. Allowing the existing Arizona marketing under APA statutes will extend for a total of 100 years discrimination in sale of a federal resource against electric distribution cooperatives, cities and towns and tribes.

All allocations to the Arizona Power Authority should be conditioned by a contractual requirement that in the resale of its Hoover allocation the Arizona Power Authority comply with Federal Preference Laws. The allocation of the Federal Resource to Arizona

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should no longer permit Arizona Power Authority resale of the power and energy from Hoover under discriminatory statutes. The statutes governing the Arizona Power Authority require it to discriminate in the sale of Hoover power and energy, as they contain priorities in Arizona Power Authority allocations to preference power entities contrary to Federal law and which deny equal and equitable allocations to Arizona Native American tribal entities, cities and towns, tribal utilities, and distribution electric cooperatives. To not contractually or otherwise condition any receipt by Arizona and the Arizona Power Authority of any Hoover allocation on re-sale compliance with Federal Preference law would be in violation of the mandate to secure the widest use of Federal Resources and an abandonment by Western of its guiding principles and applicable Federal Law.

Term: A 50-year term is preferable. We are attempting to reduce greenhouse gas and need a long-term resource like Hoover.

Capacity Factor: Allocations to Arizona should require that upon re-sale new customer allocations within Arizona should have equal and equitable access to the same capacity factors and schedule A, B, and C energy as existing Arizona allottees.

Respectfully,



Creden W. Huber
Chief Executive Officer
Sulphur Springs Valley Electric Cooperative, Inc.