

Western signs Parker-Davis Advancement of Funds contract

Story and photo by **Melissa Chiechi**

Tyler Carlson, Desert Southwest regional manager, recently signed an Advancement of Funds contract with the Bureau of Reclamation and Parker-Davis Project customers after more than three and a half years of effort. Contract terms provide that 19 customers advance-fund their proportionate share of the generation costs associated with the Parker-Davis system.

The contract was completed with the joint efforts of DSW and Reclamation staff, as well as Parker-Davis customer support. **Jan Campbell**, former DSW Power Marketing Contracts manager who now works at CSO, formed an implementation team to work out all the technical aspects. It was made up of individuals from DSW's Rates, Financial Management, Contracts and Operations; Reclamation's Contracts and Financial Management groups; and Parker-Davis customers.

The meetings led to the contract signing ceremony March 31 at DSW. At that

ceremony, Bob Johnson, director of Reclamation's Lower Colorado Region remarked, "This partnership will allow Reclamation and Western to be more responsive to customers. The funding board will provide direct funding and be a stronger part of the decision-making process."

Customers agree and are optimistic about the new partnership. George Caan, Colorado River Commission executive director stated, "Hydropower customers have two goals—reliability and affordability. Upfront funding, such as through this contract, helps ensure those two goals can be met."

DSW, Reclamation and the Parker-Davis Funding Board will meet on a regular basis to implement the contract. Separate agreements in support of advanced funding were also signed by five U.S. Air Force bases and the U.S. Marine Corps Air Station in Yuma.

John Branch, the city of Mesa's Power Operations director said, "The AOF contract will strengthen our relationship with Western and Reclamation by allowing us to provide input during the budget process rather than after the fact."

To Western and customers involved, this is a step in the right direction. With the execution of these contracts and the previously-signed advancement of funds contract for Parker-Davis priority use power, 100 percent of Western's costs associated with Parker-Davis generation are now advance-funded by Parker-Davis customers.

"This partnership will allow Reclamation and Western to be more responsive to customers."

— Bob Johnson



Bureau of Reclamation Lower Colorado Regional Director Bob Johnson, left, and DSW Regional Manager Tyler Carlson sign contracts that provide customer advance funding for Parker-Davis generation costs.