



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457

AUG - 1 2012

Mr. James D. Salo
Deputy Executive Director
Colorado River Commission of Nevada
555 East Washington Avenue, Suite 3100
Las Vegas, NV 89101-1065

Dear Mr. Salo:

Thank you for your letter dated July 13, 2012, regarding Western's Conformed Power Marketing Criteria or Regulations for the Boulder Canyon Project (2012 Criteria) published June 14, 2012 (77 FR 35671). Western appreciates your interest in this matter and the comments you made.

As you are aware, the Hoover Power Allocation Act of 2011 (HPAA) required Western to amend its Conformed General Marketing Criteria or Regulations for Boulder City Area Projects (1984 Conformed Criteria) to conform to specific provisions of the HPAA. In promulgating the 2012 Criteria, Western was very careful to amend the 1984 Conformed Criteria only as mandated by the HPAA.

We appreciate the suggestions you have made to clarify the 2012 Criteria. However, instead of revising and republishing the 2012 Criteria further, Western prefers to concentrate its efforts on making the allocations required by the HPAA, which must be completed by December 2014, and on formulating the electric service contracts for the sale of Hoover power as of October 1, 2017. There should be ample opportunity to discuss the specific points raised in your letter during the processes that will be followed for those actions.

Please feel free to contact me, or Doug Harness from Western's Office of General Counsel at 720-962-7020, if you'd like to discuss this further.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah K. Emler".

for

Deborah K. Emler
Assistant Regional Manager
for Power Marketing