



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

JAN 04 2010

Gila River Indian Community
Utility Authority
Attn: Harry A. Cruye, Jr.
Chairman
6640 W. Sundust Rd.
Box 5091
Chandler, AZ 85226-4211

Dear Chairman Cruye,

Thank you for your letter to Secretary Chu dated December 8, 2009, on behalf of the Gila River Indian Community Utility Authority (GRICUA) in which you have provided input related to the reallocation of the Boulder Canyon Project (BCP) after the current contracts expire on September 30, 2017. Please accept my response on behalf of Secretary Chu and the Department of Energy.

The Western Area Power Administration (Western) is currently in the process of soliciting public input in order to facilitate the disposition of BCP generation in the public's best interest. I understand the importance and impact this process has to Western, its customers, and all BCP interested parties, including GRICUA. I assure you that the comments you expressed in your letter will be submitted into the public record and considered in Western's administrative process. Western intends to provide coordinated responses to comments received after the close of the formal comment period on January 29, 2010.

Please submit any further written comments to Mr. Darrick Moe, Regional Manager for Western's Desert Southwest Region (DSW). The DSW region is administering this public process on Western's behalf. All correspondence related to this effort should be directed to the DSW regional office to ensure appropriate receipt and acknowledgement of all comments.

If you have any questions, please contact Ms. Deborah Emler, Desert Southwest Region's Federal Power Program Manager, at 602-605-2555 or email at Emler@wapa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy J. Meeks".

Timothy J. Meeks
Administrator



cc:

Dr. Steven Chu

Secretary

U.S. Department of Energy

1000 Independence Ave., SW

Washington, DC 20585

Bureau of Reclamation

Lower Colorado Region

ATTN: Ms. Lorri J. Gray-Lee

PO Box 61470

Boulder City NV 89006-1470

cc:

Dr. Steven Chu

Secretary

U.S. Department of Energy

1000 Independence Ave., SW

Washington, DC 20585

Bureau of Reclamation

Lower Colorado Region

ATTN: Ms. Lorri J. Gray-Lee

PO Box 61470

Boulder City NV 89006-1470

bcc:

A0000

A0200

Jack Dodd, A0500.WA, Washington, DC

Darrick Moe, G0000, Phoenix, AZ

Debby Emler, G6000, Phoenix, AZ

Mike Simonton, G6005, Phoenix, AZ

From: Shellie Scott
To: Moe, Darrick
CC: Dodd, Jack; Emler, Debby; Erlander, Carrie; Kerr, Leslie; Marcotte, ...
Date: 12/24/2009 9:10 AM
Subject: Re: Fwd: Re: Gila River Indian Community Letter - RE: Hoover Dam to Sec. Chu

Hello Darrick,

The Gila River Indian Community Letter was received and is officially assigned to the PMLO for Tim's signature with a due date of Jan 8 - EXEC-2009-020216.

Unable to forward the ES ticket and incoming letter (same letter "cc" copy to Tim) due to WLO scanner is inoperable. Will scan all docs to CSO as soon as our scanner is repair.

Merry Christmas!
Shellie

>>> Darrick Moe 12/24/2009 10:24 AM >>>

Carrie,

Here is a draft response to the GRICUA letter on BC that came into the Secretary. It is provided in a format that would have Tim sign. I don't remember seeing an update on this from WLO, so I'm not sure if this has been officially "controlled" to Western for a response yet. When that does happen, this should be ready for providing a reply.

As usual, we appreciate a cc on the final for our records.

Thanks,
Darrick

From: Darrick Moe
To: Dodd, Jack; Erlander, Carrie; Kerr, Leslie
CC: Emler, Debby; Marcotte, Debbie; Martinez, Rachel; Meeks, Tim; Scott,...
Date: 12/24/2009 8:24 AM
Subject: Re: Fwd: Re: Gila River Indian Community Letter - RE: Hoover Dam to Sec. Chu
Attachments: Re: Fwd: Re: Gila River Indian Community Letter - RE: Hoover Dam to Sec. C
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Carrie,

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As usual, we appreciate a cc on the final for our records.

Thanks,
Darrick



Gila River Indian Community Utility Authority

December 8, 2009

RECEIVED
12-16-09
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PDF to DSW
Darrick Moe

Hon. Dr. Steven Chu
United States Department of Energy
1000 Independence Ave., SW
Washington, D.C. 20585

RE: Boulder Canyon Project Power Output Reallocation

Dear Secretary Chu,

On behalf of Gila River Indian Community Utility Authority (GRICUA), I am writing to support the position set out by the Inter Tribal Council of Arizona (ITCA) in relation to the reallocation of electrical power output from the Boulder Canyon Project (BCP or Hoover). GRICUA is the electric utility owned and operated by the Gila River Indian Community, a federally recognized Tribe.

The electrical energy output of this public power project is scheduled to be reallocated as of October 1, 2017. Due to the complexities of this process, the Western Area Power Administration initiated its administrative action for this purpose on November 20, 2009. Additionally, it is our understanding that, separate from the Federal administrative process, the Arizona Power Authority, Colorado River Commission of Nevada and individual California contractors of BCP (collectively hereinafter "Existing Customer Group") have organized to propose legislation to Congress that will control the BCP's reallocation process and beneficiaries.

It is important to note that Native American tribal interests do not receive any direct electrical power output under the presently existing BCP contracts. Furthermore, to our knowledge, Indian tribes did not participate in the development of the legislation being proposed by the Existing Customer Group.

In that proposed legislation a new user power pool is contemplated where 5% of available Hoover output will be apportioned to all new customers. Of that allocation, it is our understanding that two-thirds of the pool is to be set aside for tribes and other entities qualifying to receive Hoover output in the original statutory language of Section 5, while one-third of the pool will be allocated equally among other new customers in the BCP marketing area within Arizona, California and Nevada. We believe that opportunities for Indian tribes are underemphasized in the proposed legislation. As such, Indian tribes with lands inside the BCP

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E-Mail: GRICUA@gilanet.net
Website: www.gricua.net

marketing area are seeking a tribal-only pool of 10% of the total Hoover electrical power output. Consistent with the government to government dealings required of the Department of Energy as set out in its own agency policies and in accordance with overarching Federal Indian policy, tribes should receive this power through and according to criteria developed in consultation with the Western Area Power Administration, exclusive of input from or influence of any existing customer or state interest.

Furthermore, Indian tribes are entitled to participate in the discussion regarding the allocation of Hoover power and will benefit greatly from being able to contract for that power. In the recent past, tribes have been authorized to contract for output from Glen Canyon, Parker-Davis and other public power projects.

In the wake of recent economic conditions, Hoover power pricing makes the resource especially critical to tribal economies, and access to BCP power will also allow Indian tribes an opportunity to better plan and manage their own energy needs, something increasingly essential for future generations.

Establishment of a tribal-only pool and tribal allocation guidelines among potential tribal customers is needed to ensure that all tribes with lands inside the BCP marketing area that wish to contract for Hoover power will receive fair allocations. Tribes can then work together and with the Western Area Power Administration officials to develop and apply fair tribal allocation criteria.

We hope you will direct your attention to this issue and support tribal interests in the upcoming Hoover power reallocation.

Sincerely,



for Harry A. Cruye, Jr.
Chairman

cc: John Lewis, Executive Director, Inter Tribal Council of Arizona
Leonard S. Gold, President, Arizona Tribal Energy Association
Tim Meeks, Administrator, Western Area Power Administration ✓