

## Boulder Canyon Project (BCP) Post-2017

### Proposed Allocations

### Public Information Forums

**August 26-28, 2014**

### Questions and Responses

The following are responses to questions that were submitted to Western in writing or identified at the Public Information Forums as needing further response regarding Western’s BCP Post-2017 proposed allocations. No decisions will be made on these proposals until all comments are submitted and considered by Western.

**Question:** Request Western provide the southern California proposed allocations separated by the distribution of the 69,170 kW in the marketing area and the 11,510 kW in southern California.

**Answer:** The table below depicts the southern California proposed allocations separated by distributions of the 69,170 kW in the marketing area (MKT) and the 11,510 kW in southern California (CA):

BCP POST-2017 PROPOSED ALLOCATIONS Applicant	CAPACITY			ENERGY		
	MKT	CA	Total	MKT	CA	Total
Agua Caliente Band of Cahuilla Indians	1,449	0	1,449	3,163,479		3,163,479
Anza Electric Cooperative, Inc.	147	1,689	1,836	320,539	3,684,958	4,005,497
Augustine Band of Cahuilla Indians	224	0	224	488,601		488,601
Bishop Paiute Tribe	380	0	380	830,418		830,418
Cabazon Band of Mission Indians	1,001	0	1,001	2,186,370		2,186,370
California Department of Water Resources	3,000	0	3,000	6,549,646		6,549,646
Chemehuevi Indian Tribe	1,386	0	1,386	3,025,870		3,025,870
City of Cerritos, California	1,158	1,842	3,000	2,527,081	4,020,034	6,547,115
City of Corona, California	0	3,000	3,000	0	6,545,526	6,545,526
City of Rancho Cucamonga, CA Municipal Utility	1,149	1,851	3,000	2,507,570	4,039,533	6,547,103
City of Victorville, California	954	1,948	2,901	2,081,748	4,249,559	6,331,307
Imperial Irrigation District	3,000	0	3,000	6,549,646		6,549,646
Morongo Band of Mission Indians	1,098	0	1,098	2,398,005		2,398,005
Pechanga Band of Luiseno Mission Indians	2,000	0	2,000	4,366,668		4,366,668
San Diego County Water Authority	577	1,179	1,757	1,260,636	2,573,390	3,834,026
San Luis Rey River Indian Water Authority	3,000	0	3,000	6,549,646		6,549,646
San Manuel Band of Mission Indians	2,554	0	2,554	5,576,697		5,576,697
Timbisha Shoshone Tribe	119	0	119	259,020		259,020
Torres Martinez Desert Cahuilla Indians	1,657	0	1,657	3,618,493		3,618,493
Twenty-Nine Palms Band of Mission Indians	1,319	0	1,319	2,879,774		2,879,774
Viejas Band of Kumeyaay Indians	1,388	0	1,388	3,030,849		3,030,849
Total>>	27,561	11,510	39,071	60,170,755	25,113,000	85,283,755

**Question:** What was the highest peak load of an applicant that didn't receive an allocation?

**Answer:** The highest peak load of an applicant that didn't receive a proposed allocation was 84,000 kW.

**Question:** Several applicants requested Western provide the math applied to their application in developing the proposed allocations.

**Answer:** Western has followed up and supplied the requested information directly to those applicants that requested this information. Western is not disclosing specific information contained in applications to those other than the applicant themselves.

**Question:** Can you describe the algorithm used in the pro-rata distribution?

**Answer:** After allocating up to 25% of tribal peak load served by Federal hydropower, remaining kilowatts were distributed by using a target percentage of peak load served by Federal hydropower of all eligible applicants when considering their peak loads, the percentage of their loads already served by Federal hydropower, and the minimum and maximum allocation criteria. When considering all these variables, approximately 6.8% was the target percentage that was identified in order to allocate the remaining resource of the 69,170 kW within the marketing area. The same process and considerations were performed in the distribution of the 11,510 kW in southern California, when only applied to southern California applicants. Approximately 20.8% of peak load served by Federal hydropower was the target percentage needed to distribute the 11,510 kW to southern California applicants when considering the above mentioned variables.

**Question:** In an example of an applicant that has no existing Federal hydropower, what is the applicant's peak load needed to achieve the maximum 3,000 kW allocation?

**Answer:** Considering the target Federal hydropower coverage percentage was approximately 6.8% for allocations within the marketing area, the peak load of an applicant with no other Federal hydropower serving their load would need to have a peak load of approximately 44,000 kW to achieve the maximum 3,000 kW allocation.

**Question:** Were any applicant's loads revised, divided, reduce or increased after submission to Western? If so, please answer why they were revised and indicate the original application load and the revised load.

**Answer:** Yes. If an applicant is a host utility that serves another applicant's load and the same load was included in both applications, the "doubled up" load was removed from the host utility load such that no load was considered in two different applications. In addition, a few applicants submitted loads that had extremely high or low load factor calculation results. In both instances

Western notified the applicants before appropriately updating their load figures. Due to the sensitive and proprietary nature of each applicant’s load data, Western is not publicly disclosing load information submitted by the applicants.

**Question:** Request Western provide a depiction of how each host utilities’ percentage of peak load served by Federal hydropower was calculated.

**Answer:** Western used host utility peak load data published by the Energy Information Administration (EIA), if available. Below is a depiction of the percentage of peak load served by Federal hydropower for the host utilities available from EIA. As for other host utilities, as explained above, Western is not publicly disclosing load information submitted by the applicants.

Host Utility	Peak Load MW	Federal Hydro MW	Host Fed Hydro %
Arizona Public Service	7,207.00	0.00	0.0%
NV Energy	5,761.00	235.00	4.1%
Southern California Edison	21,821.00	277.50	1.3%
Salt River Project	6,726.00	120.18	1.8%
Overton Power District #5	90.30	28.56	31.6%
*Trico Electric Cooperative	174.10	6.24	3.6%
San Diego Gas & Electric	4,600.00	0.00	0.0%
*Imperial Irrigation District	995.00	32.33	3.2%
Valley Electric Cooperative	113.00	30.56	27.0%
*Mohave Electric Cooperative	201.80	10.58	5.2%
Tucson Electric Power	2,759.00	0.00	0.0%
City of Boulder City	49.50	32.05	64.7%
*San Carlos Irrigation Project	85.45	17.72	20.7%
*Navopache Electric Cooperative	65.00	4.24	6.5%
Electrical District #3	168.00	20.00	11.9%
Electrical District #8	57.00	24.20	42.5%
*Sulphur Springs Valley Electric Cooperative	205.70	9.37	4.6%
*Graham County Electric Cooperative	44.50	2.31	5.2%
Electrical District #2	66.10	24.22	36.6%
*Navajo Tribal Utility Authority	88.50	13.70	15.5%
Electrical District #4	29.00	21.76	75.0%
City of Page Electric Utility	22.90	4.20	18.3%
Aha Macav Power Service	11.00	4.16	37.8%

\*Host utility application data was considered autonomously from indirect benefit calculations

**Question:** How did Western treat tribes with loads in multiple states?

**Answer:** Tribes with loads in multiple states were considered as a single applicant with all load within the BCP marketing area considered. Per Western’s final marketing criteria, all tribes were provided a first consideration for an allocation up to 25% of their peak load being served by Federal hydropower.

**Question:** Do tribes have to be ready, willing, and able by October 1, 2016? If so, what assurances are there that tribes will be able to make the necessary arrangements by that date in order to transmit the power?

**Answer:** Per Western's final marketing criteria, tribes are not subject to the October 1, 2016 ready, willing, and able requirement. However, in the event that a tribe, or any other allottee, does not put their allocation under contract by October 1, 2017, because they lack the necessary arrangements to transmit the power, they risk losing their allocation as prescribed by the Hoover Power Allocation Act of 2011.

**Question:** What is the cost per kW of capacity allocated to a Schedule D proposed allottee related to the Boulder Canyon Project (BCP) repayable advance requirements.

**Answer:** Based upon the BCP repayable advance provisions and the current projected October 1, 2017 repayable advance figures, Western estimates that new allottees will be required to reimburse existing BCP contractors \$75,000 for every 1,000 kW of BCP Schedule D capacity allocated. Updated repayable advance accumulations and estimations are distributed by Western annually and are subject to change prior to October 1, 2017.

**Question:** Should applicants that have not been proposed to receive an allocation submit load verification information data at this time?

**Answer:** Western is not currently seeking load substantiation information from those who were not proposed to receive an allocation. In the event that adjustments to the proposed allocations yield additional allottees, Western will work with those allottees to substantiate their loads in a timely and reasonable fashion. This would likely be sometime shortly after the October 3<sup>rd</sup> load substantiation deadline for the currently proposed allottees to provide Western the necessary time to finalize allocations by December 2014.

**Question:** How did Western consider the amount of an applicant's load already served by existing Federal power resource allocations?

- I. Did Western use actual available hydropower or contractual hydropower allocations in this calculation?
- II. What years of hydropower and peak demands were used in the calculations?
- III. For any applicant that is being served by more than one utility or entity with differing hydropower allocations, how did Western consider any existing hydropower to the different loads of the one applicant?
- IV. Please provide the list of all existing hydropower allocations that were used in these calculations as well as the supporting utilities, Balancing Authorities or other applicable entities power resources used to develop the above calculations.

**Answer:** Western considered the amount of Federal hydropower serving all applicants' loads either from a direct existing allocation to the applicant or indirectly from an applicant's host utility serving the loads. The percentage of the applicant's peak load served by Federal hydropower was the product of the capacity of Federal hydropower serving the load divided by the applicant's peak load.

- I. Western used Contract Rate of Delivery for Parker-Davis Project, allocated capacity for BCP, and Sustainable Hydro Power capacity for Colorado River Storage Project. All these capacity amounts are quantified contractually. When possible, hydropower capacity commensurate with the peak month was used.
- II. The contractual capacity figures are not year specific. Applicants were able to select from calendar year 2011, 2012, or 2013 load data to submit in their applications. For host utilities, calendar year 2012 EIA data was used to the extent it was available, otherwise Integrated Resource Planning or utility supplied data was utilized.
- III. Applicants being served by more than one host utility were required to provide a quantification of load per each host utility. Each host utilities' percentage of peak load served by Federal hydropower was applied to the load it served. The applicant's percentage of peak load served by Federal hydropower was calculated using the weighted average among the loads served within the multiple host utilities. This resulted in a single percentage of peak load served by Federal hydropower for each applicant that proportionately considered the amount of indirect benefit from each host utility.
- IV. Western cannot provide a list of all proposed allocations impacted by existing Federal power allocations without releasing load data provided by the applicants. As previously explained, Western will not make that information public.

**Question:** Were any applicant's loads combined or aggregated by Western?

**Answer:** No.

**Question:** How many applicants are currently being served by more than one utility? How did Western consider their loads? Combined? Separately?

**Answer:** 28. The total of the applicant's peak load within the BCP marketing area was considered when deriving the proposed allocations, regardless of number of host utilities represented.

**Question:** What was the total of all combined loads of the applicants that was used in the proration? List Tribal and non-tribal separately.

**Answer:** Refer to slide 7 of the public information forum presentation. This presentation is posted to Western's website at:  
[http://www.wapa.gov/dsw/pwrmt/BCP\\_Remarketing/PublicForums.htm](http://www.wapa.gov/dsw/pwrmt/BCP_Remarketing/PublicForums.htm)

**Question:** Of the applicants that received the maximum 3,000 kW allocation, what were their respective loads as a part of the total? Both tribal and non-tribal.

**Answer:** There are 13 proposed allottees at the 3,000 kW allocation maximum. 3 tribes / 10 non-tribes. ~177 MW of tribal load / ~3,415 MW of non-tribal load. These loads represent 3,592 MW of the total 4,365 MW of applicant peak loads or ~82% of peak load represented by the applicants.

**Question:** Of the applicants that received the minimum 100 kW allocation, what were their respective loads? What was the smallest load that was still eligible to receive an allocation? Both Tribal and non-tribal.

**Answer:** No applicant received a proposed allocation of 100 kW. The smallest peak load that yielded a proposed allocation when considering all marketing criteria applied was 496 kW for tribes and 2,179 for non-tribes.

**Question:** Of the applicants whose potential allocation did not meet the 100 kW minimum, what was the highest applicant load? What was the smallest applicant load? Both Tribal and non-tribal.

**Answer:** When considering loads already served by Federal hydropower to determine potential allocations:

Tribal - Highest 3,422 kW / Lowest 32 kW

Non-Tribal- Highest 7,000 kW / Lowest 100 kW.