

August 29, 2011

Mr. Darrick Moe
Western Area Power Administration
Desert Southwest Regional Manager
P.O. Box 6457
Phoenix, Arizona 85005-6457

Dear Mr. Moe:

The following comments are submitted regarding the Western Area Power Administration's (Western) notice of proposed power marketing initiative from the Boulder Canyon Project (BCP). The notice was published at 76 Fed. Reg. 30147 (May 24, 2011). The comments are submitted on behalf of the San Luis Rey Indian Water Authority (Indian Water Authority), consisting of the following five tribal entities:

La Jolla Band of Mission Indians
Pauma Band of Mission Indians
San Pasqual Band of Mission Indians

Pala Band of Mission Indians
Rincon Band of Mission Indians

The Indian Water Authority is a permanent intertribal entity established pursuant to duly adopted tribal ordinances. The power of the Indian Water Authority to act for the five Indian Bands that established it is recognized and approved by section 107 of the San Luis Rey Indian Water Rights Settlement Act. All of the entities are located in northern San Diego County, California, within the marketing area for Boulder Canyon power.

The Indian Water Authority appreciated the information received at the July 13, 2011 public information forum and provides the following responses to three specific issues raised by Western:

- 1) marketable capacity and energy;
- 2) resource pool percentage; and
- 3) excess energy provisions.

Marketable capacity and energy

The Indian Water supports Western's proposal to market 2044 MW of marketable contingent capacity and 4,527,001 MWh of marketable annual firm energy.

Resource pool percentage

The Indian Water Authority believes that the resource pool percentage should be increased to six or seven percent to match the resource pools of the Parker-Davis Project, Colorado River Storage Project, and other marketing plans recently completed under Western's jurisdiction.

Excess Energy

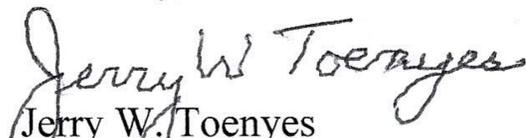
Western proposes that the first 200,000 MWh of energy above the marketable annual firm energy be reserved for the Arizona Power Authority (APA) with a maximum accumulation of 600,000 MWh. Western's explanation is that considerations were provided for APA's firm energy allocation relative to other BCP customers. This response does not explain what considerations were made in developing the decision and therefore does not provide sufficient support to implement the 200,000 MWh annual and 600,000 MWh accumulative limits.

Further, Western has not provided any detail as to how the excess energy procedure would operate, including when a determination would be made that excess energy is available from BCP and how the process for withdrawals would operate on a monthly basis. The monthly withdrawal process could impact the value of the other BCP customer's firm energy value. Before Western implements any excess energy proposal a separate public process is needed to explain the operational procedures that would be used.

California customers are also required to meet the State's resource portfolio standards along with emission standards set by the California Air Resources Board. Western needs to ensure that administrative decisions on energy firming purchases and energy deliveries are coordinated with the customers to ensure they comply with other state and federal emission and renewable energy regulations.

Thank you for your consideration of these comments.

Sincerely,



Jerry W. Toenyes

For the San Luis Rey Indian Water Authority