

January 26, 2010

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. The notice was published at 74 Fed. Reg. 60256 (November 20, 2009). The comments are submitted on behalf of the San Luis Rey 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 San Luis Rey River Indian Water Authority (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 referred to in 74 Fed. Reg. 60256.

A representative of the Indian Water Authority attended the public information forum hosted by Western in Ontario, California, on December 2, 2009. We appreciate the information received at those forums and take this opportunity to respond to three specific issues raised by Western:

- 1) the percentage of power resources to be extended to existing customers;
- 2) excess energy provisions: and
- 3) length of the contract term.

Percentage of power resources to be extended to existing customers

Western proposes that five percent of the marketable energy and 4.5 percent of the marketable capacity of Boulder Canyon Project be made available for a resource pool for new customers. We recommend that Western increase the pool to at least six percent of both capacity and energy in order to expand the potential customer base to meet the Reclamation objective of widespread use of the resource. Both the Pick-Sloan Missouri Basin marketing initiative and the Central

Valley Project marketing initiative have resource pools of six percent. The resource pool in the Colorado River Storage Project allocation program is seven percent and the recently completed Parker/Davis marketing initiative had a resource pool of approximately seven percent. We believe Western should be more consistent with the other marketing initiatives under its jurisdiction.

Excess Energy

Western currently markets the first 200 gigawatt hours of energy above the marketable annual firm energy to the Arizona Power Authority. We do not know of any basis to continue this marketing program for excess energy into the future. Since all customers are required to receive less energy pro rata under adverse hydro conditions, all customers should receive excess energy pro rata under above average hydro conditions.

Length of the Contract Term

We support a 30 year contract term and no additional incremental resource pools during the contract period. We also recommend that all ancillary services (reserves, regulation, etc.) be included with the power to be allocated from the resource pool. In addition, Western should work with the existing control area operator to ensure that the allottees receive credit for the Boulder Canyon ancillary services.

Thank you for your consideration of these comments.

Sincerely,

Jerry W. Toenyes
For the San Luis Rey Indian Water Authority