



Executive Office of the Chairman
WHITE MOUNTAIN APACHE TRIBE

RONNIE LUPE
CHAIRMAN

January 4, 2010

Honorable Dr. Steven Chu, Secretary
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Re: Boulder Canyon Project Power Output Reallocation

Dear Dr. Chu:

On behalf of the White Mountain Apache Tribe, 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).

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 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



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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.

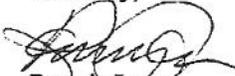
Furthermore, Indian tribes are entitled to participate in the discussion regarding the allocation of Hoover power and will benefit greatly from being able to contract for that power. In the recent past, tribes have been authorized to contract for output from Glen Canyon, Parker-Davis and other public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



Ronnie Lupe
Chairman