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BOULDER CANYON PROJECT
POST-2017 MARKETING
PROPOSED ALLOCATIONS
PUBLIC COMMENT FORUM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

Ontario, California
September 17, 2014

TRANSCRIBED BY: CHRISTINE JOHNSON, RPR, RMR
Certified Reporter #50383

PREPARED FOR:
Western Area Power Administration

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1 Be it remembered that heretofore on September 17,
2 2014, commencing at 10:07 a.m., at the Doubletree Hotel,
3 Ontario, California, the following proceedings were had, to
4 wit:

5
6

7 OPENING REMARKS Page
8 BY MR. DOUG HARNESS 3

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11 COMMENTS BY:
12 HIGGINS, Eli 6
13 HITCHCOCK, Ralph 8
14 Moalemi, Arash 10

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1 PROCEEDINGS

2

3 MR. HARNESS: Well, by my watch it's 11:07, so
4 let's go on the record -- I mean -- well, 10:07.

5 A VOICE: Arizona time.

6 MR. HARNESS: Well, good morning, everybody.
7 Welcome to this morning's Public Comment Forum. My name is
8 Doug Harness and I'm an attorney with Western Area Power
9 Administration, and I will be the moderator for today's
10 Forum.

11 The purpose of this Public Comment Forum is to
12 give interested parties the opportunity to make oral
13 presentations or to submit written comments for the record
14 on the power allocations proposed by Western for the Boulder
15 Canyon Project Post-2017 Resource Pool.

16 The Resource Pool was created in accordance with
17 the Hoover Power Allocation Act of 2011 and Western's
18 conformed power marketing criteria published in the Federal
19 Register on June 14th, 2012. Western's proposed allocations
20 for the Resource Pool were published in the Federal Register
21 on August 8th, 2014.

22 In addition to today's Public Forum -- today's
23 Forum and the Forums held otherwise this week -- we held one
24 yesterday in Las Vegas and tomorrow will be in Tempe,
25 Arizona -- written comments may be submitted at any time

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1 during the comment period that ends September 19th, 2014.
2 These comments should be sent to Mr. Ronald E. Moulton,
3 Acting Regional Manager of Western's Desert Southwest
4 Customer Service Region, Post Office Box 6457, Phoenix,
5 Arizona 85005-6457. Comments may also be submitted by fax
6 to area code (602) 605-2490 or by e-mail to post2017BCP, as
7 in Boulder Canyon Project, at wapa.gov. Western will accept
8 comments received on or before September 19th, 2014 and will
9 post these written comments on Western's website at the end
10 of the comment period. The website address for that is
11 www.wapa.gov/dsw/pwrmt, which is short for power marketing.
12 Western reserves the right not to consider any comments
13 received after the end of the comment period.

14 A verbatim transcript of today's Forum is being
15 prepared by our court reporter. Everything that's said
16 while we're in session today, together with all exhibits,
17 will be part of the official record. Copies of today's
18 transcript will be available to anyone who would like a copy
19 upon payment of the required fee to the court reporter. The
20 court reporter's name, address and telephone number are
21 available upon request.

22 Copies of the transcript and the exhibits will
23 also be available for review in the Desert Southwest
24 Customer Service Region office located in Phoenix, Arizona
25 and they will also be posted on Western's website.

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1 All comments made today should be relevant to the
2 proposed allocations. As the moderator, I reserve the right
3 to disallow any comments that are not relevant to the
4 subject matter of today's Forum. Any relevant materials to
5 be introduced in the record should be given to the court
6 reporter and she'll assign it an exhibit number.

7 After the close of the comment period, Western
8 representatives will review all the information, comments
9 and exhibits that have been received with regard to the
10 proposed allocations. Western will then publish final
11 allocations in the Federal Register. Comments made during
12 this public process will be discussed in Western's Federal
13 Register Notice.

14 For those making comments today, please first
15 provide your name and the name of any organization you
16 represent and for the convenience of the court reporter,
17 please spell your last name. In addition, if you have an
18 extra copy of your presentation, please provide it to the
19 court reporter. I would also ask that you come and use the
20 microphone today just for the convenience and benefit of the
21 court reporter. And I'll make sure it's turned on, if it's
22 not already.

23 Finally, please keep in mind that Western has no
24 presentation today and we will not be answering questions.
25 The sole purpose of this Forum is to take your comments. So

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1 we'll now open the floor for that purpose. And feel free
2 whoever would like to go first.

3 MR. HIGGINS: Good morning, everyone. Thank you
4 for inviting us. I'm Eli Higgins, E-L-I, H-I-G-G-I-N-S, the
5 Operations Manager of Anza Electric Cooperative. I
6 appreciate the opportunity to present comments today on
7 Western's proposed allocation of the power resources that
8 have been made available under Schedule D of the Hoover
9 Power Allocation Act.

10 On behalf of the member ratepayers at Anza
11 Electric Cooperative, I'm grateful for the preliminary
12 decision by Western to allocate a portion of the Schedule D
13 pool to Anza.

14 As Western continues with its work to finalize the
15 allocations, we believe it is important that Western
16 continue to follow the marketing criteria that guided the
17 preliminary round of the allocation process.

18 To be specific, we believe that the cap on Hoover
19 resources and limitations on the amount of Federal power
20 available to serve peak load are important criteria to
21 ensure that there is widespread distribution of the
22 resource.

23 As we see it, if Western had not implemented these
24 components of its final marketing policy, the Hoover
25 resource could be concentrated among a select few

1 recipients. This would defeat the intent of Congress in
2 setting up Schedule D.

3 We also recognize that the proposed allocation,
4 particularly in our case, fulfills a desire by Congress that
5 new entrants, including electric cooperatives, benefit from
6 the resources made available under Schedule D.

7 As the electric cooperatives in the marketing area
8 in Southern California, as the only electric cooperative in
9 the marketing area in Southern California, it makes sense
10 that Western would give our application due consideration.

11 As Western moves forward with developing the final
12 allocations, we would ask Western to refrain from revisiting
13 the marketing criteria set forth in this effort.

14 We see that it remains vitally important for
15 Western to adhere to the principles that it has advanced and
16 refrain from re-inventing the marketing criteria to arrive
17 at a different outcome.

18 On this point, we would note that the Hoover Power
19 Allocation Act has set a time frame for completing the
20 allocation process and we believe that further -- and we
21 believe that further revisions to the marketing criteria to
22 satisfy disappointed applicants will needlessly delay the
23 process and create the risk that Western is unable to
24 complete the application process as required by law.

25 Towards this end, I would also ask Western to let

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1 us know when it will finalize the operation protocols.

2 For Anza, it remains important to work with our
3 transmission provider to ensure delivery of the Hoover
4 resource.

5 Finally, we are working to develop the response
6 required by Western to substantiate the needed load data.

7 We plan to submit that information well in advance
8 and would ask Western to work with us to make sure that it
9 will meet Western's criteria for the type of acceptable
10 source data.

11 If Western will agree to work with us, we can make
12 sure that we meet the deadline in a timely manner and with
13 the needed information to continue the allocation process.

14 This concludes my comments. I'll be happy to
15 answer any questions or clarify any comments. Thank you.

16 MR. HITCHCOCK: Ralph Hitchcock, Ralph,
17 H-I-T-C-H-C-O-C-K, for today's meeting purposes,
18 representing the Pechanga and 29 -- or, excuse me, Cabazon
19 reservations.

20 As I responded probably two years ago now, prior
21 to the early portion of the legislative action, I think
22 the -- I understand the perpetuation of allocations to
23 non-preference entities that was a long battle and it
24 probably doesn't do any good to revisit it today, but I want
25 to speak positively to the allocations for tribal entities

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1 and the point I made at the time was that having been a --
2 as an ex-Edison employee, I understand the value that they
3 made to the initial funding for the bond purposes and that
4 was extremely valuable to the project at the time, but
5 they've had a number of years to utilize those facilities
6 and very few tribal entities were in operation at the time
7 to be able to use power. It's only been in the last decade
8 or so that the tribal entities are evolving into economic
9 development activities.

10 The door opened with the casino/hotel operations,
11 but there are a number who are not doing casinos/hotels.
12 That was just a door opener. But economic development on
13 reservations are an important issue today and as preference
14 customer or clients, I think it's an opportunity, so I want
15 to endorse and support the -- all of the comments for or
16 comments for all of the allocations that were made to tribal
17 entities because I think it's a key effort in their
18 development process.

19 I think we realize in reading some of the past
20 comments that some of those may not be familiar with all of
21 the rules of the road and may not understand their options
22 and activities and hopefully we can help nurture them
23 through that process, but I would like to -- and I will
24 follow up with written comments at the appropriate time --
25 but I think it's really important to recognize the nature of

1 the entities that we're dealing with.

2 And, again, I want to extend my personal support
3 and accolades for your efforts in recognizing their -- their
4 status, the fact that they're emerging as economic entities
5 and appreciate your support. Thank you.

6 MR. HARNESS: Thank you. Anyone else like to make
7 comments?

8 (Pause.)

9 MR. HARNESS: Okay. Well, seeing that no one else
10 has indicated a desire to make any comments, we'd first like
11 to thank you all for coming this morning and attending and
12 participating in the Forum. We'd also ask that if you
13 haven't already done so, to please sign the attendance
14 rosters that were out by the door as you came in so we have
15 an accurate accounting of the attendance here today. We'll
16 also remind you that written comments are due by this
17 Friday, September the 19th.

18 So, again, we appreciate your attendance and
19 participation and we'll close -- oh, yes.

20 MR. MOALEMI: Do you mind if I comment? I
21 apologize.

22 MR. HARNESS: Oh, sure. Go ahead.

23 MR. MOALEMI: Good morning. My name is Arash
24 Moalemi, M-O-A-L-E-M-I, with the Navajo Tribal Utility
25 Authority and on behalf of NTUA located in Fort Defiance

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1 Arizona, we just would like to pretty much send our
2 appreciation to Western for the allocation of the Boulder
3 Canyon Project within our marketing area.

4 Although NTUA initially had issues with the
5 initial formula for the allocation regarding the Federal
6 hydropower already served for the tribes in certain
7 entities, we are still satisfied with our -- with the end
8 result of the overall criteria in the allocation of that
9 power.

10 As a representative in the enterprise of the
11 Navajo Nation and the tribal entity, we feel that it's
12 important to serve the interests of the active legislation
13 and represent the tribes appropriately in these allocations
14 and we felt that as far as NTUA is concerned, we were
15 adequately represented and -- represented and we feel that
16 we had a fair share of the allocation.

17 So on behalf of NTUA, we appreciate the
18 consideration and thank you.

19 MR. HARNESS: Anyone else?

20 (Pause.)

21 MR. HARNESS: Okay. Well, with that, I think I've
22 given the reminders that I intended to, so, again, thank you
23 all for coming today and we'll go off the record.

24 (Whereupon, the proceedings concluded at 10:22
25 a.m.)

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I, CHRISTINE JOHNSON, having been first duly sworn and appointed as Official Court Reporter herein, do hereby certify that the foregoing pages, inclusive, constitute a full, true and accurate transcript of all the proceedings had in the above matter, all done to the best of my skill and ability.

DATED this _____ day of _____, 2014.

Christine Johnson, RPR, RMR
Certified Court Reporter No. 50383

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