

Boulder Canyon Project Post-2017 Marketing Proposed Allocations PUBLIC INFORMATION FORUMS

August 26-28, 2014

Forum Topics

- Marketing Process Update
- Boulder Canyon Project Post-2017 Background
 - Hoover Power Allocation Act of 2011 (HPAA)
 - Western conformance to the HPAA
 - Marketing Criteria
- Applications Received
- Proposed Allocations
 - *Federal Register* Notice (79 FR 46432)
Published August 8, 2014
 - Allocation Methodology
- Next Steps
- Contacts

BCP Post-2017

Marketing Process Update

- December 30, 2013 – Final Criteria and Call for Applications
- March 31, 2014 – Applications Due
 - Applicant information, service area, requested allocation, loads, power suppliers, transmission plans
- August 8, 2014 – Proposed Allocations Announced
- August 26-28, 2014 – Public Information Forums
 - Western provides additional background and information on proposals
 - Opportunity to engage in public two way dialogue
- September 16-18, 2014 – Public Comment Forums
 - Opportunity for presentation of public comments on proposed allocations
- September 19, 2014 – Public Comments Due
- October 3, 2014 – Load Substantiation Documentation Due
 - Prospective allottees need to provide documentation of actual load
 - This could include meter verification reports, historical billing reports, host utility reports



We are here

BCP Post-2017 Background

Hoover Power Allocation Act of 2011

- Defined Schedules A, B, and C
- Established the BCP Post-2017 Resource Pool – “Schedule D”
- Prescribed portions of Schedule D to be allocated by Arizona Power Authority (APA) and Colorado River Commission of Nevada (CRC)
- Western to allocate 69,170 kW to new allottees in the marketing area and 11,510 kW to new allottees in southern California
- Western allocations to non-tribes in Arizona and Nevada shall be offered through the APA or CRC
- Allocations to Native American tribes will be contracted for directly with Western
- Required Western to conform its marketing criteria to the HPAA

BCP Post-2017 Background

2012 Conformed Criteria

- Western conformed the 1984 Criteria to the HPAA through a Federal Register Notice published June 14, 2012 (77 FR 35671)
- Administratively facilitated provisions of the HPAA
- Established Fundamental Criteria:
 - Eligibility Criteria
 1. Qualified applicants must be eligible under Section 5 of the Boulder Canyon Project Act or be Federally recognized Indian tribes
 2. Qualified applicants must be located in the Boulder Canyon Project marketing area
 - General Allocation Criteria
 1. Allocations to non-tribes in AZ/NV will be offered through APA/CRC
 2. Western shall prescribe additional marketing criteria pursuant to a public process

BCP Post-2017 Background

Marketing Criteria

- Western announced final marketing criteria and a call for applications in a Federal Register Notice published December 30, 2013 (78 FR 79436)
- Applicable only to portions of Schedule D that Western is allocating
- Key Marketing Criteria Include:
 - First consideration for Native American tribes up to 25 percent of their peak load
 - Western will consider the amount of the applicant's load already served by existing Federal power allocations (direct or indirect benefits)
 - Remainder to non-profit eligible applicants in proportion to their peak loads
 - Allocations based on historical loads (2011, 2012, or 2013) submitted by applicant
 - Minimum allocation of 100 kW
 - Maximum allocation of 3,000 kW

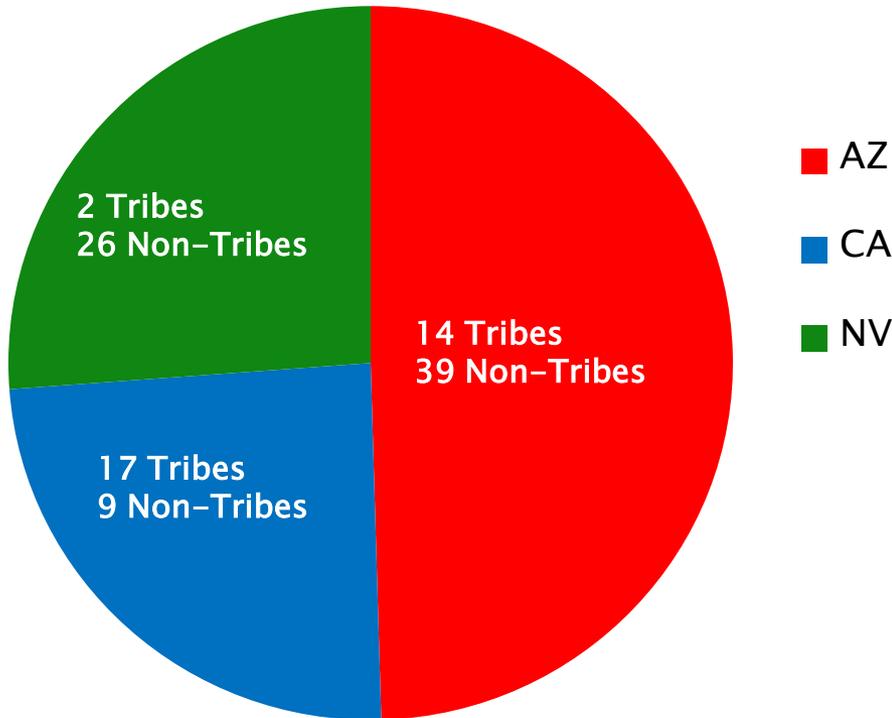
Applications Received

- Western announced proposed allocations in a Federal Register Notice published August 8, 2014 (79 FR 46432)
- Applications Received:

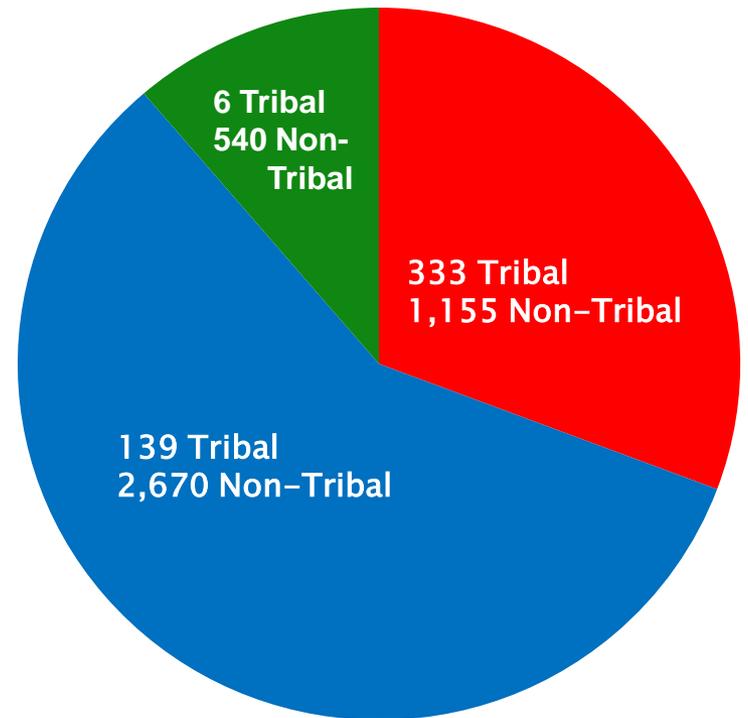
| | All Applicants | | Tribes | | Non-Tribes | |
|--------|-----------------|--------------|-------------|--------------|-----------------|--------------|
| | # of Applicants | Peak Load MW | # of Tribes | Peak Load MW | # of Non-Tribes | Peak Load MW |
| AZ | 53 | 1,488 | 14 | 333 | 39 | 1,155 |
| CA | 26 | 2,809 | 17 | 139 | 9 | 2,670 |
| NV | 28 | 546 | 2 | 6 | 26 | 540 |
| Total> | 107 | 4,843 | 33 | 478 | 74 | 4,365 |

Applications Received

of Applicants



Applicants' Peak Load MW



Proposed Allocations

Considerations

- Direct and indirect benefits of existing Federal power allocations were determined for each applicant.
- Allocations held by host utilities were assumed to benefit its customers equally.
- Host utility load information was acquired from Energy Information Administration data or Integrated Resource Plan data as available.
- Applicants with load served by multiple host utilities were required to identify load in each service area.
- Adjustments to host utility loads were made if both host utility and its customer applied; same load not considered in multiple applications.

Proposed Allocations

69,170 kW in the Marketing Area

- Native American tribes were targeted for 25% of peak load served by Federal power resulting in 28,970 kW of proposed allocation to tribes.
- The remaining 40,200 kW was distributed by targeting all applicants' peak load served by Federal power to ~6.8%.
- Applicants with less than ~6.8% of their peak load served by Federal power were provided an allocation of BCP to increase Federal power service to ~6.8%, when considering all other marketing criteria including the 100 kW minimum allocation.
- Applicants with more than ~6.8% of their peak load served by Federal power were not provided a proposed allocation.

Proposed Allocations

11,510 kW in Southern California

- Proposed allocations of the 69,170 kW were considered.
- Southern California Native American tribal applicants were either at 25% Federal power service, at the 3,000 kW maximum allocation, or would not meet the 100 kW minimum. First consideration did not yield additional allocations.
- All of the 11,500 kW was distributed by targeting southern California applicants to a peak load Federal power coverage of ~20.8%.
- Applicants with less than ~20.8% of their peak load served by Federal power were provided an allocation of BCP to increase Federal power coverage to ~20.8%, when considering all other marketing criteria including the 100 kW minimum allocation.
- Applicants with more than ~20.8% of their peak load served by Federal power were not provided a proposed allocation.

Proposed Allocations

Summary

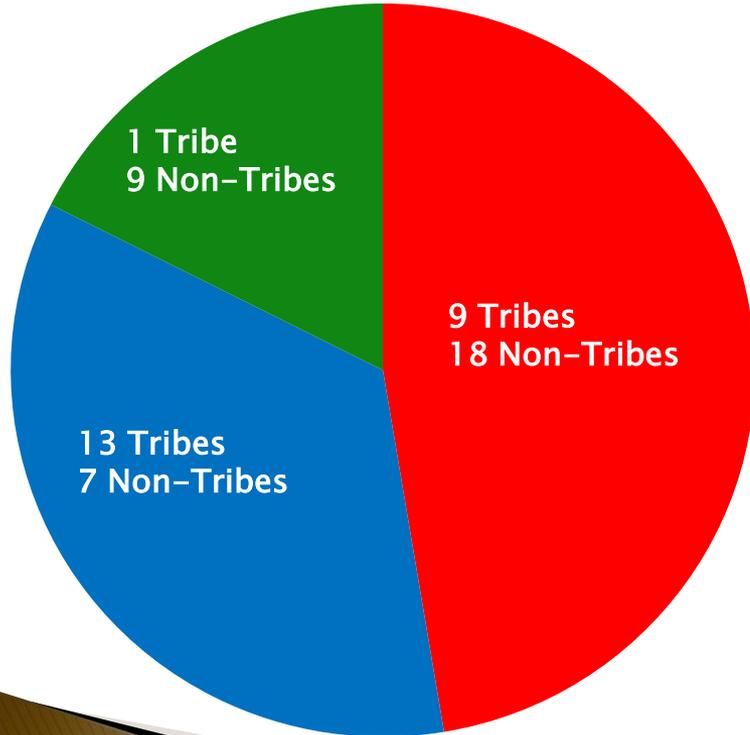
| 69,170 in MKT Area | | All Applicants | | Tribes | | Non-Tribes | |
|-----------------------------|--------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| | | # of Allocations | kW Allocated | # of Allocations | kW Allocated | # of Allocations | kW Allocated |
| | AZ | 27 | 31,207 | 9 | 10,802 | 18 | 20,405 |
| | CA | 20 | 27,561 | 13 | 17,576 | 7 | 9,985 |
| | NV | 10 | 10,402 | 1 | 592 | 9 | 9,810 |
| | Total> | 57 | 69,170 | 23 | 28,970 | 34 | 40,200 |
| 11,510 in California | | 6 | 11,510 | 0 | 0 | 6 | 11,510 |
| TOTAL | AZ | 27 | 31,207 | 9 | 10,802 | 18 | 20,405 |
| | CA | 21 | 39,071 | 13 | 17,576 | 8 | 21,495 |
| | NV | 10 | 10,402 | 1 | 592 | 9 | 9,810 |
| | Total> | *58 | 80,680 | 23 | 28,970 | *35 | 51,710 |

*5 allottees received portions of both pools

Proposed Allocations

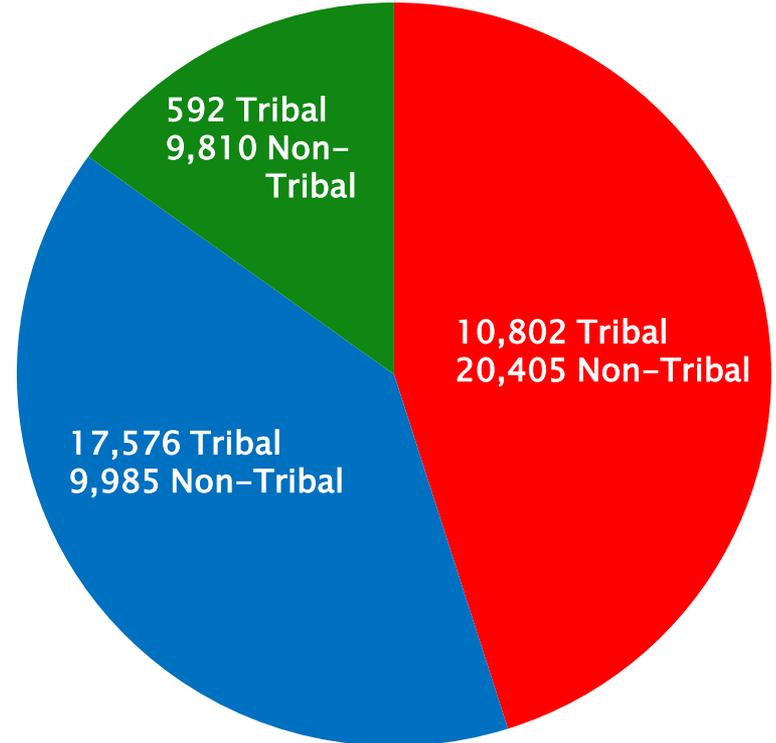
Summary

Marketing Area # of Allocations
69,170 kW



Marketing Area kW Allocated
69,170 kW

- AZ
- CA
- NV



Proposed Allocations

Summary

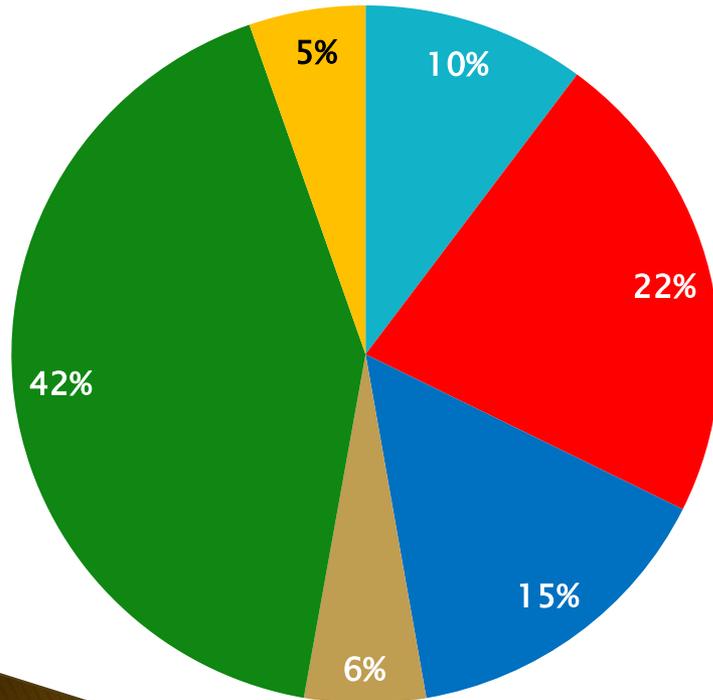
| Allocation by Customer Type | 69,170 in Mkt Area | | 11,510 in CA | | Total | |
|--------------------------------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| | # of Allocations | kW Allocated | # of Allocations | kW Allocated | # of Allocations | kW Allocated |
| Irrigation/Water District | 4 | 7,047 | | | 4 | 7,047 |
| Municipality | 16 | 15,311 | 4 | 8,642 | 17 | 23,952 |
| Cooperative | 7 | 10,326 | 1 | 1,689 | 7 | 12,015 |
| Political Subdivision | 4 | 3,834 | | | 4 | 3,834 |
| Tribe | 23 | 28,970 | | | 23 | 28,970 |
| Other | 3 | 3,682 | 1 | 1,179 | 3 | 4,861 |
| Total> | 57 | 69,170 | 6 | 11,510 | *58 | 80,680 |

*5 allottees received portions of both pools

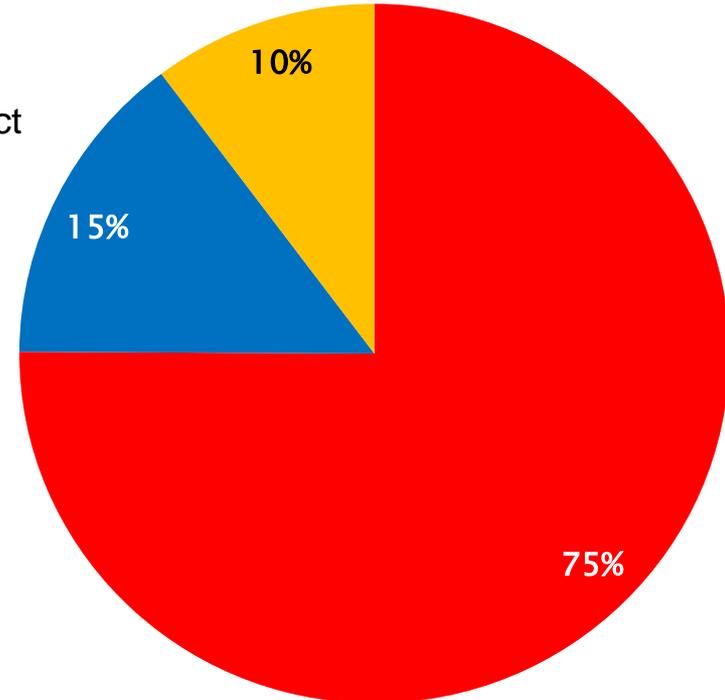
Proposed Allocations

Summary

Marketing Area Distribution
69,170 kW



California Only Distribution
11,510 kW



- Irrigation/Water District
- Municipality
- Cooperative
- Political Subdivision
- Tribe
- Other

Public Comment Forums

Comment Period Opened August 8, 2014

Las Vegas, NV – September 16, 2014

Ontario, CA – September 17, 2014

Tempe, AZ – September 18, 2014

Comment Period Closes September 19, 2014

Remarketing Milestone Goals

March 2014.....Applications Due

August 2014.....Propose Allocations

December 2014.....Finalize Allocations

December 2015.....Finalize All Contracts

October 2016.....Ready, willing, and able due

October 2017.....Initiate service



BCP
2017



BCP Post 2017 Information

http://www.wapa.gov/dsw/pwrmt/BCP_Remarketing/BCP_Remarketing.htm

Boulder Canyon Project Remarketing Effort

HOME



WELCOME

- Applicant Profile Data (Online Application) form
- Applicant Profile Data form (.doc)
- Boulder Canyon Information Module
- Federal Register Notices
- Public Forums
- Correspondence and Presentations
- Frequently Asked Questions (FAQs)
- Points Of Contact
- Hoover Power Allocation Act of 2011

Provide written comments to:

Mr. Ronald E. Moulton

Acting Regional Manager

Desert Southwest Customer Service Region

Western Area Power Administration

P.O. Box 6457

Phoenix, AZ 85005-6457

Fax: (602) 605-2490

Email: Post2017BCP@wapa.gov

Questions?

Point of Contact:

Mike Simonton

Project Manager for Boulder Canyon Remarketing
(602) 605-2675 or Simonton@wapa.gov

If you would like to receive all the notices Western issued relative to this process, please contact Mike to get on our e-mail distribution list.