

1 IN THE UNITED STATES DEPARTMENT OF ENERGY  
2 WESTERN AREA POWER ADMINISTRATION  
3 PHOENIX, ARIZONA

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6 BOULDER CANYON PROJECT  
7 PUBLIC COMMENT FORUM  
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10 REPORTER'S TRANSCRIPT OF PROCEEDINGS  
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12  
13 Phoenix, Arizona  
14 April 10, 2013  
15 10:37 a.m.

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19 REPORTED BY: CHRISTINE JOHNSON, RPR, RMR  
20 Certified Reporter #50383

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1           MR. MURRAY: All right. Good morning. Welcome to  
2 today's Public Comment Forum. My name is Jack Murray. I'm  
3 the Rates Manager here with Western Area Power  
4 Administration, Desert Southwest Region. I will preside as  
5 moderator for today's Forum.

6           The purpose of this Forum is to give interested  
7 parties the opportunity to make oral presentations and/or to  
8 submit written comments for the record on the proposed base  
9 charge and rate adjustment for Boulder Canyon Project for  
10 fiscal year 2014.

11           Written comments on the proposed base charge and  
12 rates may be submitted, that is, received by Western until  
13 May 6th, 2013, the end of the comment period. These  
14 comments should be sent to Mr. Darrick Moe, Regional Manager  
15 of Western's Desert Southwest Regional Office by mail at  
16 P.O. Box 6457, Phoenix, Arizona 85005-6457 or by e-mail to  
17 Moe, that's moe@wapa.gov or by fax to (602) 605-2490.

18           A verbatim script of today's Forum is being  
19 prepared by our court reporter. Everything said while we  
20 are in session today, together with all exhibits, will be a  
21 part of the official record. Copies of today's transcript  
22 will be available to anyone who wants a copy upon payment of  
23 the required fee to the court reporter. Copies of the  
24 transcript and the complete record of this public process  
25 will also be available for review here at the Phoenix office

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1 and at Western's headquarters office in Lakewood, Colorado.

2 All presentations given today should be relevant  
3 to the proposed base charge and rate adjustment and as the  
4 moderator, I reserve the right to disallow any comments  
5 which are not relevant to the subject matter of today's  
6 Forum. Any relevant materials to be introduced in the  
7 record, should be given to the court reporter and she'll  
8 assign it an exhibit number.

9 After the close of the comment period, all  
10 comments, exhibits and other information received will be  
11 reviewed and considered. Western will then issue a notice  
12 in the Federal Register. Comments made during this public  
13 process will be discussed in this Notice.

14 The way we will proceed today is to have anyone  
15 desiring to speak to step up to the podium before making  
16 your comments. Please state your name, the name of the  
17 organization you represent and please spell your name for  
18 the convenience of the court reporter. In addition, if you  
19 have an extra copy of your presentation, please give one to  
20 the court reporter.

21 Finally, we have no formal presentation for today.  
22 The sole purpose of this Forum is to listen to any comments  
23 that you might have regarding the proposed base charge and  
24 rates. Therefore, I'm now going to open the floor to  
25 comments. Again, after you have been recognized, please

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1 give your name and the name of the organization you  
2 represent and please spell your name.

3 MR. LYNCH: Good morning. I am Robert S. Lynch,  
4 L-Y-N-C-H. I am counsel and Assistant Secretary/Treasurer  
5 of the Irrigation and Electrical Districts Association of  
6 Arizona. Most of our members and associate members buy  
7 power to the Boulder Canyon Project through the Arizona  
8 Power Authority Commission.

9 At the Public Information Forum, we discussed the  
10 Visitor Center and it came out that the capital repayment  
11 costs are merged with some things and I suggested at the  
12 time that it would be in the best interest of the agency if  
13 it isolated the Visitor Center's costs, overhead and capital  
14 separately for purposes of accounting because as you know,  
15 the prime contractors are trying to put themselves in a  
16 position to be able to pay off the existing capital debt for  
17 the Visitor Center and as soon as they can meet certain  
18 legal requirements.

19 It, I think, would involve attention that we are  
20 doing this perhaps before it happens, but certainly when it  
21 happens and being able to isolate the Visitor Center as an  
22 enterprise fund, if you will. I think it would be in the  
23 best interest of the agency, as well as the contractors.

24 I will be able to report to you today that  
25 legislation has moved successfully through the house and the

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1 senate in Arizona to authorize Arizona Power Authority to  
2 participate in this repayment effort; that similar  
3 legislation necessary for the Colorado River Commission of  
4 Nevada appears to be moving there. I think the only other  
5 hurdle is Utility Commission approval for Southern  
6 California Edison California.

7           So there is every likelihood that -- that sometime  
8 in this calendar year, these entities may be in a position  
9 to address this issue, and I think it would be in the best  
10 interest of the Western Area Power Administration to be able  
11 to demonstrate what the Visitor Center is and how it  
12 financially functions, both from a capital standpoint and an  
13 O&M standpoint separately at that time.

14           We do appreciate the fact that you are planning to  
15 lower the rate. We had to give heart medicine to several of  
16 our members, but -- and so we would like advanced warning if  
17 you're going to do that again so that we can get our  
18 prescriptions refilled.

19           But we will file some written comments by, I  
20 think, the May 6th deadline and thank you for the  
21 opportunity to comment.

22           MR. MURRAY: Thank you, Bob. Any other comments?  
23 No?

24           MR. PYPER: Craig Pyper, P-Y-P-E-R, and I'm with  
25 the Colorado River Commission of Nevada, and I'd just like

1 to support what Bob Lynch said, especially about the Visiter  
2 Center refinancing. The legislation in Nevada is moving  
3 forward. It's passed out of committee with a unanimous  
4 support for it and it appears that it will gain easy passage  
5 in the Nevada house and senate. So the rest, the assembly  
6 had said it.

7 We would also like to urge Western to be able to  
8 identify these costs, so as soon as all of the parties are  
9 able. We have a difficult road in order to be able to  
10 maintain these things, but as soon as these funds are  
11 available, we'd like to be able to identify that.

12 We also would appreciate both Reclamation and  
13 Western in working with the customers to help identify these  
14 costs and being open to helping us reduce our own expenses  
15 by refinancing this. It's still not a done deal, but we're  
16 going to try to do everything we can.

17 And also we'd like to be able to make sure that  
18 any bonding by the different customers or cash payments that  
19 it can be collected still through the same process that  
20 either it's being done now, maybe we can discuss that later,  
21 but still through the same rate process to make sure that  
22 the bond repayments are collected through there, even though  
23 they have been satisfied from the treasury debt.

24 MR. MURRAY: Thank you. Anyone else desiring to  
25 make a comment? Okay. Seeing that no one else has

1 indicated a desire to comment, I'd like to thank all of you  
2 for attending this Forum. I would also ask if you have not  
3 already done so, register on our sign-up sheet -- it's in  
4 the back -- so that we have an accurate attendance record.  
5 Please, also remember that any written comments are due by  
6 the 6th of May.

7           Again, thank you for your attendance and  
8 participation today. The Forum is now closed. We'll go off  
9 the record.

10                   (Whereupon, the proceedings terminated at 10:46  
11 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 numbered from 2 to 8, 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 12th day of April, 2013.

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

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