

Cortaro Water Users' Association

as agents for

Cortaro – Marana Irrigation District

12253 West Grier Road • Marana, Arizona 85653

Telephone: (520) 682-3233

January 17, 2005

Mr. J. Tyler Carlson
Regional Manager – Desert Southwest Region
Western Area Power Administration
Post Office Box 6457
Phoenix, Arizona 85005-6457

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Re: Comments on Parker-Davis Project – Post 2008
Resource Pool Procedures and Supplemental Application

Dear Mr. Carlson:

The Cortaro-Marana Irrigation District of Pima County, Arizona, (District or CMID) is a political subdivision of the state and is an entity organized and existing under the laws and the Constitution of the State of Arizona. It believes it is a qualified applicant, which comes under the General Eligibility Criteria in Paragraph II set forth in the Federal Register concerning the Post 2008 marketing of the Parker-Davis Project resource pool. It is an end user of electricity utilized by its water pumps which provide municipal water to Marana, Arizona and to landowners for irrigated agriculture.

The District believes that Western having given first consideration under II (B) to entities who do not have a contract with Western for federal power resources or are not a member of a parent entity with such a contract, that Western modify its criteria and reserve the right to take into account special circumstances and unique considerations that may justify consideration to other classes of qualified applicants such as CMID. CMID is an important partner. The District deserves special consideration. It intends to file herewith an application for an allocation of one (1) megawatt of Parker Davis. Its service providers are Trico Electric Cooperative and the Tucson Electric Power/Unisource Company. The District pumps provide water for the municipal needs of the Town of Marana and irrigation of lands of its customers. Marana is one of the fastest growing municipalities in the United States, and it uses pumps to provide water.

The District agrees, "end users must have necessary arrangements for transmission and/or distribution service in place by April 1, 2008." The District has existing arrangements with the Arizona Power Authority and Tucson Electric for the delivery of power. The District will have such arrangements in place.

Concerning Hoover power, the District urges Western to consider that the State of Arizona is the recipient of Hoover and, among others; the District is only a subcontractor with the State agent, the Arizona Power Authority.

With the comments made previously, the District generally agrees with the criteria set forth in under Paragraph III – General Allocation Criteria in the Federal Register publication.

Concerning Paragraph IV General Contract Principles, except for the following, the District believes those are acceptable.

a. **Payment in Advance:** It should be clearly stated in the Contract that any payment in advance will be payment of the monthly power bills no more than two (2) months in advance, and will not be a blank check for Western to require additional payments.

Mr. J. Tyler Carlson

1/17/05

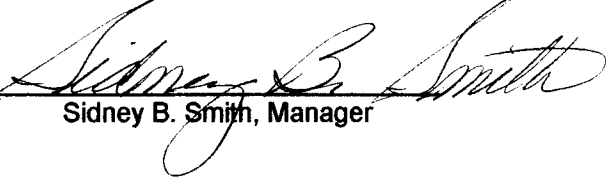
Page 2

b. General Power Contract Provisions: Concerning the GPCPs and standard provisions in the sales contracts, particularly the concept of Section 12 in the proposed Parker-Davis Contract, those provisions should be worded so that it is clear that before any power is taken from a contractor or an allocation under contract is reduced that the contractor has sufficient notice, opportunity to comment and participate in a discussion, and has an opportunity to cure any defects and to exhaust any appeals before losing any power resource allocated or under contract.

Sincerely,

CORTARO-MARANA IRRIGATION DISTRICT

By



Sidney B. Smith, Manager