



Department of Energy
Western Area Power Administration
P.O. Box 281213
Lakewood, CO 80228-8213

March 29, 2013

The Honorable Harry Reid
United States Senate
522 Hart Senate Office Building
Washington, DC 20510

Dear Senator Reid:

Thank you for your letter dated January 16, 2013, concerning the marketing criteria proposed by the Western Area Power Administration (Western) to implement the Schedule D allocations authorized in the Hoover Power Allocation Act of 2011 (HPAA).

The HPAA reserved portions of Schedule D to be allocated by Western to entities eligible to enter into contracts under Section 5 of the Boulder Canyon Project Act of 1928 (Project Act) or to federally recognized Indian tribes. Since Western anticipates that applications for Schedule D power from these eligible entities will exceed the amount of Schedule D available, Western proposed draft marketing criteria to establish the manner in which competing applications from eligible applicants would be evaluated.


Through a public process, Western has received public comments on those criteria. While considering those comments, Western will develop final marketing criteria for Schedule D. Western will define marketing criteria that provides fair and equitable opportunity for allocation of Schedule D to new allottees.

Unfortunately, Western will likely be unable to satisfy the many competing interests for this finite resource. However, Western is attempting to fulfill its power marketing responsibilities in a transparent and reasonable manner and our final marketing criteria will fully conform to the Hoover statutes.

Western appreciates your interest and attention in the Hoover allocation process. Your letter has been included as part of our formal public process being conducted to determine the final marketing criteria.

If you have any questions, please contact Mr. Mike McElhany, Western's Assistant Administrator for Corporate Liaison, at (202) 586-5581, or McElhany@wapa.gov.

Sincerely,


Anita J. Decker
Acting Administrator