

WESTERN AREA POWER ADMINISTRATION

BOULDER CANYON PROJECT
FISCAL YEAR 2024 BASE CHARGE AND RATES
PUBLIC COMMENT FORUM

Lakewood, Colorado

Tuesday, June 20, 2023

ANDERSON COURT REPORTING
1800 Diagonal Road, Suite 600
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

PARTICIPANTS:

DAVID GORLIN, ESQUIRE
Western Area Power Administration

GAIL BATES
The Colorado River Commission of Nevada

TERRY URBINE
Timbisha Shoshone Tribe
Twenty-Nine Palms Band of Mission Indians
Chemehuevi Tribe
Bishop Paiute Tribe

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P R O C E E D I N G S

(11:01 a.m. MDT)

MR. GORLIN: Good morning, everyone. Welcome to our public comment forum for the Boulder Canyon Project. My name is Dave Gorlin. I'm an attorney for the Western Area Power Administration at our headquarters in Lakewood, Colorado. I'll be the moderator of this forum.

This WebEx is being recorded for transcription purposes. The recording may be posted on DOE or WAPA's website or used internally. If you do not wish to have your voice recorded, please do not speak during the call. If you do not wish to have your image recorded, please turn off your camera or participate by phone. If you speak during the call or use the video connection, you are presumed to consent to the recording and to the use of your voice or image.

You will, of course, have an opportunity to submit written comments if you decide not to speak during this comment forum. The purpose of this forum is to give interested parties the opportunity to make oral presentations and comments for the record on the Boulder

Canyon Project proposed base charge for fiscal year 2024. At the public information forum, attendees asked questions which required more detailed responses. The responses to these comments are posted on WAPA's website at www.wapa.gov/regions/dsw/rates/pages/boulder-canyon-rates.aspx. And that the website has been posted in the chat box as well.

WAPA has addressed all comments received to date. Today's forum is for any additional comments or comments on our posted responses. A verbatim transcript of this forum will be prepared by our transcription service. Everything said while we are in session today will be part of the official record. Copies of the transcript and the complete record of the public process will be available for review at the Desert Southwest Regional Office at 615 South 43rd Avenue in Phoenix, Arizona 85009.

All presentations and comments at this forum should be relevant to the FY 2024 proposed base charge for the Boulder Canyon Project. As the moderator, I reserve the right to disallow any presentations or comments which are not relevant to the subject matter of

this forum. You may email to WAPA any materials to be introduced into the record and they will be assigned an exhibit number. The email address is dswpwrmrk@wapa.gov.

After the close of the consultation and comment period on July 17th, 2023, all comments, exhibits, and other information received will be reviewed and considered. WAPA will then issue a notice in the *Federal Register* addressing comments made during the public process. Next slide, please.

I will now open the forum for oral presentations and comments. For those utilizing WebEx, you may notify the host via the WebEx chat feature and the host will call it. Please do not provide your presentations or comments directly in the chat box. You can also use the raise hand feature by clicking the hand icon to the right of your name in the participant window. If you are only participating by phone, unmute your phone by pressing star 6. After you have been recognized, provide your name and the name of the organization you represent. Also, for transcription convenience, please spell your last name. If you have a

copy of your presentation, please email it to
dswpwrmrk@wapa.gov.

So at this time, does anyone want to make a presentation or provide comments? I see that Gail Bates, you have your hand up. Can you please go ahead and make your presentation or comment?

MS. BATES: Good morning. Can everybody hear me okay?

MR. GORLIN: Yes.

MS. BATES: So based on the Ten-Year Plan, there are some significant repair and maintenance projects that are needed at the plant in the next three to four years. Most notably, I'm thinking about the Cylinder Gate Stem Replacement Project, which is a multi-year project that's critical to protecting the plant and the people that work at the plant.

Given the projected increase in generation in FY-24 compared to what we were expecting, what would have been an increase in the rates in fiscal 24 I'm thinking is now likely to be a rate decrease. And while that's a good thing for everyone, we can't ignore the budgetary challenges that we're likely to face in '25

and '26 when hydrology is much more uncertain.

So it would seem prudent to me to explore setting a base charge for fiscal '24 at an amount that would keep the rate for fiscal '24 flat compared to '23 so that we don't see significant increases in '25 and '26. And so we would encourage the Bureau and WAPA to take a look at the budget in the in the later years, specifically, '25 and '26, and maybe to call a special E&OC committee meeting to review the budget for all three years and talk about setting a base charge in '24 with the goal of stabilizing rates the best we can during the next three years and getting ahead of our most critical projects while we have better hydrology and more generation than we were expecting. Thank you.

MR. GORLIN: Thank you for your comment, Ms. Bates. And could you just for the record, could you confirm the name of the organization you represent, please?

MS. BATES: Yeah, I represent the Colorado River Commission of Nevada.

MR. GORLIN: Thank you very much. I now see that we have a hand raised. Terry Urbine, again, if you

could spell your last name for the record and also for the record state the name of the organization you represent.

MR. URBINE: Thank you, Dave, can you verify that you can hear me?

MR. GORLIN: I can hear you, yes. Go ahead.

MR. URBINE: Okay. My name is Terry Urbine, last name spelled U-R-B as in boy I-N-E and I represent the Timbisha Shoshone Tribe, the Twenty-Nine Palms Band of Mission Indians, the Chemehuevi Tribe, and the Bishop Paiute Tribe, who are four contractors in the Boulder Canyon Project.

I want to largely echo Ms. Bates' comments, and I would further comment that yes, we're undoubtedly facing reductions in power in '25 and '26, therefore, we do expect rates to go up then. And this current situation in '24, which projects an increase in power above what was expected earlier in the year, of this year, suggests a rate decrease based upon the expenditure of needs that were put forward in January for the plant.

So it seems to me that since we've already

socialized a rate increase in our minds for FY-24, that I would suggest that this might be a good time to make those investments, both to forestall the risks that Ms. Bates pointed out. But also, there may be some economics here in that if we advance some of the projects now before prices rise, there could be some savings. And I would suggest that the Bureau investigate what those savings might be based upon projected inflation rates for some of the materials, especially for the Gate Stem Project, where a lot of the expenditure is off site in the manufacture of parts. So there may be some economies there that we can exploit by increasing the revenue collections in FY-24 above what was originally proposed in January and doing that via just keeping the rates that were proposed at that time, a base rate of \$23.95. Thank you.

MR. GORLIN: Thank you for your comments. So does anyone else have any presentations or comments related to the FY 2024 proposed base charge for the Boulder Canyon Project?

So at this time, I do not see any raised hands and I do not see anything in the chat box either. I'll

just give it another moment.

Okay, last call. Does anyone else have any additional presentations or comments related to the FY 2024 proposed base charge for the Boulder Canyon Project?

Okay. Seeing that no one else has indicated they would like to present or provide comments during this forum, I want to thank everyone for their attendance. Next slide, please.

You may also submit written comments on the Boulder Canyon Project FY 2024 proposed base charge to Jack D. Murray, Senior Vice-President and Regional Manager, Desert Southwest Region, Western Area Power Administration, by mail to P.O. Box 6457 Phoenix, Arizona 85005-6457 or by email to dswpwrmrk@wapa.gov. Comments must be received by the close of the consultation and comment period on July 17th, 2023. Next slide, please.

So for further information, please visit WAPA's rate website at www.wapa.gov/regions/dsw/rates/pages/boulder-canyon-rates.aspx. And again, that website has been posted in

the chat box. Again, thank you for your attendance and participation today. This forum is now closed. We will go off the record, stop recording, and end the WebEx session.

(Whereupon, at 11:15 a.m. MDT, the

PROCEEDINGS were adjourned.)

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CERTIFICATE OF NOTARY PUBLIC

I, Mark Mahoney, do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Mark Mahoney

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

My Commission Expires: August 31, 2025

Notary Public Number 122985