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**COLORADO RIVER COMMISSION
OF NEVADA**

July 13, 2012

Western Area Power Administration
Mike Simonton, Public Utilities Specialist
Desert Southwest Region
PO Box 6457
Phoenix, AZ 85005

Sent via E-mail: Post2017BCP@wapa.gov

Re: June 14, 2012 FRN (77 FR 35671) Conformed Power Marketing Criteria or Regulations for the BCP Post-2017 marketing effort

Dear Mr. Simonton,

The Colorado River Commission of Nevada (CRCN) is in receipt of the June 14, 2012 Federal Register Notice (77 FR 35671) Conformed Power Marketing Criteria or Regulations for the Boulder Canyon Project (BCP) Post-2017 marketing effort.

Page 35671, column 3, states that the conformed criteria will become effective July 16, 2012, and that additional power marketing criteria will be established by Western through subsequent public process. The CRCN respectfully requests that Western accept these comments and consider them, along with any other comments submitted by other parties, BEFORE the 2012 Conformed Criteria become effective.

Page 35673, column 1, Section C discusses the content of contracts to be offered by Western. The actual power contracts which will become effective October 1, 2017 do not exist at this time. While it is anticipated that those new contracts will be largely similar to the existing BCP contracts, they will likely include additions and changes made necessary to comply with changes in the law since 1984, additions and changes reflecting changed circumstances in the structure or control and operation of the BCP and other electrical generation and transmission systems in the marketing area, and, additions and changes which may result from negotiations between Western and the contractors. We suggest a qualifying clause be inserted to clarify that the contracts to become effective October 1, 2017, may contain different provisions than those summarized.

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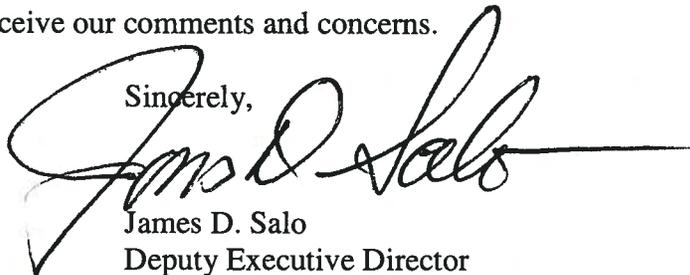
Page 35673, column 2, the reference to the Western Electricity Coordinating Council (WECC) is not complete. While the old WSCC merged with SWRTA and WRTA to become the Western Electricity Coordinating Council (WECC) in 2002, overall responsibility for establishing reserve requirements rests in the North American Electric Reliability Council (NERC), with the regional entities like WECC able to establish different (e.g. usually stricter) reserve requirements only with the approval of NERC. We suggest language be inserted to recognize that both NERC and WECC have roles in establishing and enforcing reserve requirements.

Page 35674, columns 2-3, states that contract offers to new allottees shall contain a provision requiring each new allottee to pay a proportionate share of "its State's respective contribution" to the MSCP. This language could create an opportunity for certain new allottees to argue that they need not pay proportionate MSCP amounts because as sovereign nations they are not a part of any particular state. To avoid this problem, CRCN suggests that this language be clarified to state that contract offers to new allottees shall contain a provision requiring each new allottee to pay a proportionate share of the obligation of the state(s) in which the new allottee is located.

Page 35676, Section E. General Marketing Criteria, column 1, appears to state that under B. General Allocation Criteria, tribes seeking an allocation from Nevada's 11.1 percent of Schedule D cannot contract directly with the CRCN. It has been CRCN's position that if a Nevada tribe approaches the CRCN for an allocation of Nevada's 11.1 percent of Schedule D that they would contract directly with the CRCN as there is no state law that would prohibit a contract between a Nevada state agency and a Nevada tribe. It is understood that Arizona and California state laws and practices are different from Nevada's. With that said, the CRCN requests Western to amend or provide clarification to its Section E. Conformed Power Marketing Criteria, B. General Allocation Criteria to remove reference to the 11.1 percent or to strike "by State" and insert "Arizona and California" to be in accordance with the Hoover Power Allocation Act of 2011.

Thank you for taking the time to receive our comments and concerns.

Sincerely,



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Deputy Executive Director
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cc: Jayne Harkins
Craig Pyper
Current Hoover Customers