

BEFORE THE COLORADO RIVER COMMISSION OF NEVADA

THE STATE OF NEVADA

Proposed Regulation of the Colorado
River Commission of Nevada dated January
16, 2014 (LCB File No. R148-13)

April 25, 2014

COMMENTS OF VALLEY ELECTRIC ASSOCIATION, INC.

I. INTRODUCTION

Valley Electric Association, Inc. (“Valley”) welcomes this opportunity to present comments to the Colorado River Commission of Nevada (“CRC”) regarding CRC’s proposed regulations dated January 16, 2014 (LCB File No. R148-13).

Valley is a Nevada non-profit cooperative utility that serves its members with electricity in portions of Clark, Nye, Mineral, and Esmeralda Counties in Nevada. VEA is currently a contractor with CRC.

II. DISCUSSION

1. Valley suggests adding a definition to the term “densely populated counties” in the proposed regulations.

In Section 16, the term “densely populated counties” is used three separate times. This term is not defined in the regulation. Valley recommends that a definition for this term be included for clarity.

2. The proposed changes in Section 32 could be construed to require Valley to treat certain cooperative members differently than other members, based only upon geographic location.

Section 32 of the proposed regulations would amend NAC 538.540. Currently, NAC 538.540(2) provides that “[n]o electric utility that contracts with the Commission for power from the Boulder Canyon Project, Parker-Davis Project or Salt Lake City Area Integrated Projects may resell any of that power outside of its service area without the approval of the Commission.”

Section 32 (2)(c) of the proposed regulation states that an electric utility that contracts with the Commission for power from the Boulder Canyon Project, Parker-Davis Project or Salt Lake City Area Integrated Projects may only “resell that power to serve customers in its service territory, within this state and within Western’s defined marketing area, without seeking the approval of the Commission.” This proposed regulation adds two new criteria for resell that could potentially impact the practices of existing CRC contractors. The service territory proscribed for Valley by the Public Utilities Commission of Nevada may not be entirely within Western’s defined marketing area. Valley serves Nevada members that are located north of Beatty. Valley believes in equal and fair treatment for all of its members. Therefore, Valley recommends that CRC provide a regulation that does not work to exclude certain members/customers of a CRC contracting utility from obtaining affordable and renewable hydropower resources that would be otherwise available to other members/customers of the same utility, unless such is specifically required by state or federal law or regulation. Valley believes that all of its members should be able to enjoy the benefits provided by the hydropower marketed by CRC since Valley is a Nevada-based cooperative and current customer of CRC. Therefore, Valley suggests that the current language of NAC 538.540(2) be preserved, or be modified in a way to ensure equal benefit for all of a specific utility’s patrons.

3. The proposed changes in Section 39 of the proposed regulation may contain an inadvertent error.

Valley notes that in Section 39, line 3 of page 22 of the proposed regulations, the proposed modification changes the total energy in kilowatt hours from 645,989,000 to 13,698,000. Valley inquires as to whether that number is correct, or if it contains an inadvertent error.

CONCLUSION

Valley thanks CRC for the opportunity to submit these comments and welcomes the opportunity to participate further in additional workshops and comments in the future.

Respectfully signed and submitted this April 25, 2014.

VALLEY ELECTRIC ASSOCIATION, INC.

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