



THE HOOVER POWER **ALLOCATION ACT**

*Delivering Clean Renewable
Hydropower to the Southwest*

Fact Sheet



Overview

Hoover power is a vital power resource for consumers in Arizona, California and Nevada. Over 29 million people rely on this power, which is a clean renewable source of energy. Hoover Dam power has been allocated for many decades by Act of Congress. Under the 1984 Hoover Power Plant Act, Congress mandated allocation of Hoover power through contracts with state, municipal and utility contractors. These Hoover power contracts will expire in 2017.

In December 2011, President Obama signed the Hoover Power Allocation Act of 2011 (HPAA) into law, ensuring the continued availability and reliability of Hoover power to the citizens of Arizona, California and Nevada. The bill had bipartisan support from the Arizona, California and Nevada Congressional delegations.

The HPAA authorizes the Western Area Power Administration (Western) to offer 50-year contracts (2017-2067) to existing Hoover power contractors at 95% of their current allocations, and the remaining 5% of the power resource to new allottees who do not receive it today. The Act distributes Hoover power under four schedules:

Schedule A allocates power to the original purchasers of Hoover power under the Boulder Canyon Project Act of 1928: Metropolitan Water District of Southern California; Cities of Los Angeles, Glendale, Pasadena and Burbank, California; Southern California Edison Company; Arizona Power Authority; Colorado River Commission of Nevada; and City of Boulder City, Nevada

Schedule B allocates power to the contractors who advance-funded the Hoover power turbine uprating authorized in the 1984 Hoover Power Plant Act: State of California (Cities of Glendale, Pasadena, Burbank, Anaheim, Azusa, Banning, Colton, Riverside, Vernon), and the States of Arizona and Nevada

Schedule C governs allocations of excess energy, if any, to Arizona, California and Nevada

Schedule D will allocate power to eligible entities and federally recognized Indian Tribes located in the Boulder City Area Marketing Area who do not have allocations of Hoover power today. Two-thirds of the Schedule D pool will be marketed and allocated by Western, and the remaining one-third of the Schedule D pool will be

distributed in equal shares to be marketed and allocated to eligible entities by the Arizona Power Authority for Arizona, by the Colorado River Commission of Nevada for Nevada, and by Western for California. Non-tribal entities located in Arizona or Nevada who receive an allocation from Western will contract with either the APA for Arizona, or the CRC for Nevada.

Importance of Hoover Power

Clean Renewable Energy: Passage of the HPAA was critical to consumers in Arizona, California and Nevada. These consumers have invested in this clean renewable source of energy for over 75 years and they remain committed to investing in it for another 50 years.

Investment: Since 1935, current Hoover contractors have invested over \$1.3 billion to construct, upgrade, operate, maintain and replace all Hoover Dam and Visitor Center equipment and facilities. From now through 2017, these contractors will invest more than \$600 million more in Hoover Dam.

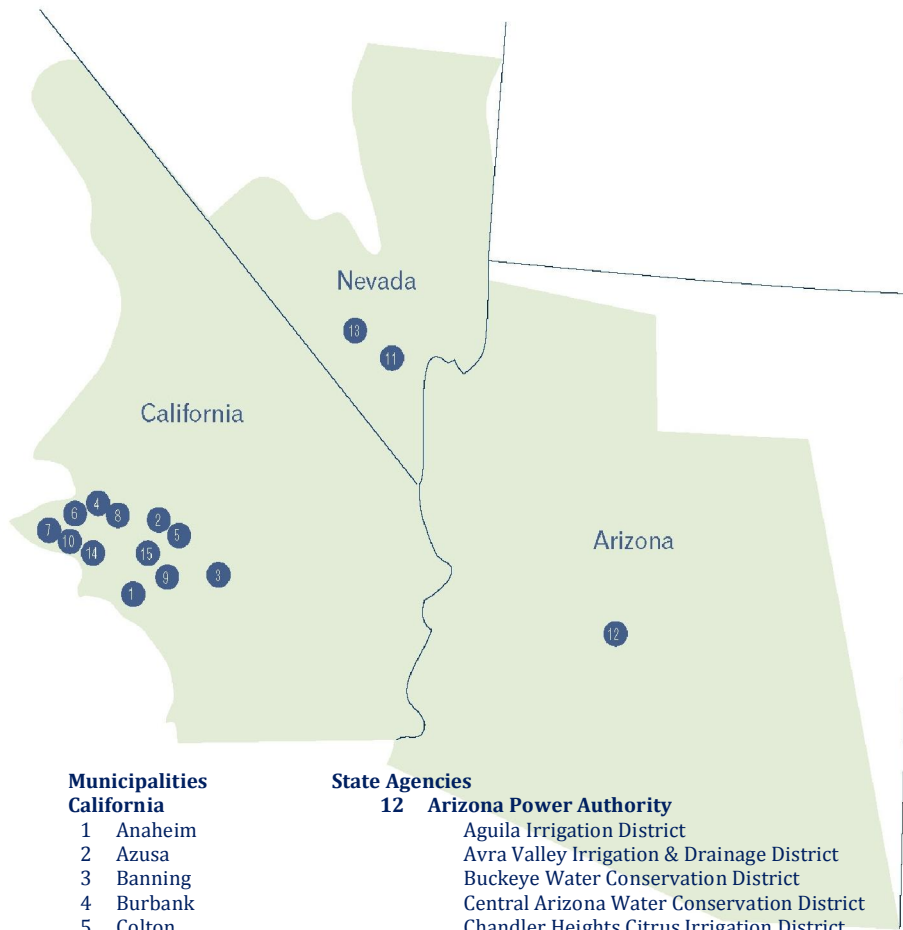
MSCP: Hoover contractors have also committed to providing more than \$150 million over 50 years to support the Lower Colorado River Multi-Species Conservation Program (MSCP) for the protection of 26 endangered, threatened and sensitive species on the lower Colorado River, which was authorized by Congress in 2009.

Each new allottee of Hoover Schedule D power will be required to participate in funding their state's share of the MSCP. The benefit to the contractors is that funding the MSCP allows continued operation of the Hoover power plant under the incidental take permit issued by the U.S. Fish and Wildlife Service pursuant to the Habitat Conservation Plan in the MSCP contract between the States and the federal government, under section 10(a)(1)(B) of the Endangered Species Act.

Where are the Hoover Power Customers Located Today?

Customers receiving Hoover power are located in the Boulder City Project Marketing Area as shown on the following map.

Firm Power Customers and Marketing Area



Municipalities

California

- 1 Anaheim
- 2 Azusa
- 3 Banning
- 4 Burbank
- 5 Colton
- 6 Glendale
- 7 Los Angeles
- 8 Pasadena
- 9 Riverside
- 10 Vernon

Nevada

- 11 Boulder City

State Agencies

12 Arizona Power Authority

- Aguila Irrigation District
- Avra Valley Irrigation & Drainage District
- Buckeye Water Conservation District
- Central Arizona Water Conservation District
- Chandler Heights Citrus Irrigation District
- Cortaro-Marana Irrigation District
- E D #2, Pinal, E D #3, Pinal, E D #4, Pinal
- E D #5, Maricopa, E D #5, Pinal, E D #6, Pinal
- E D #7, Maricopa, E D #8, Maricopa
- City of Safford
- Harquahala Valley Power District
- Maricopa County Municipal Water District
- McMullen Valley Water Conservation & Drainage District
- Ocotillo Water Conservation District
- City of Page
- Queen Creek Irrigation District
- Roosevelt Irrigation District
- Roosevelt Water Conservation District
- Salt River Project
- San Tan Irrigation District
- Silverbell Irrigation District
- Town of Thatcher
- Tonopah Irrigation District
- Wellton-Mohawk Irrigation & Drainage District
- Town of Wickenburg

13 Colorado River Commission of Nevada

- NV Energy
- Southern Nevada Water Authority
- Boulder City
- Lincoln County Power District No.1
- Overton Power District No. 5
- Valley Electric Association
- Entities at the Basic Management Industrial Complex

14 Metropolitan Water District of Southern California

Investor-owned utilities

- 15 Southern California Edison Company**