

**2017 ALLOCATION INTERESTED PARTY MEETING
SUMMARY
APRIL 26, 2012
10:00 a.m. AT APA OFFICE**

ATTENDEES:

Dalton Cole, APA Commissioner
Steve Brophy, APA Commissioner
Joe Mulholland, APA
Mike Gazda, APA
Evelyn Magnusson, APA
Linda Sullivan, APA
Doug Fant, APA
Marcia Kennedy, APA
Michael Block, Metropolitan Domestic Water Improvement Dist., AZ
Wendy G. Briggs, Steptoe & Johnson
Anthony Cadorin, City of Mesa
Cynthia Campbell, City of Phoenix
Anthony Cuaron, Town of Marana
Cliff Cauthen, Guest
Dennis Delaney, K. R. Saline & Associates
Larry Geare, Cibola Valley Irrigation & Drainage District
Robert Goff, City of Chandler
Elston Grubaugh, Wellton-Mohawk I&DD
Burt Hatch, Queen Creek I.D.
Jim Horton, Consultant
Creden Huber, SSVEC
R. DeWayne Justice, Electrical District No. 7
Eric Kamienski, City of Tempe
Cathy Kuefler, Avra Water Co-Op
Doug Kupel, City of Phoenix
Dimitrios Laloudakis, City of Phoenix
Ken Lee, Salt River Project
Richard Lehman, Salt River Project
Susan Lozier, Wellton-Mohawk I&DD
Ron Lunt, C.A.W.C.D.
Robert Lynch, I.E.D.A.

Tom Martin, Electrical District No. 2
John McNeill, C.A.W.C.D.
Jay Moyes, Moyes Sellers, Ltd.
Paul Orme, Electrical District No. 3 and No. 4
Melissa Parham, A.M.P.U.A.
Bill Petty, Roosevelt WCD
Jim Salo, Colorado River Commission of Nevada
Bonnie Seal, Electrical District No. 7
Mike Simonton, Western Area Power Administration
Robin Stinnet, City of Avondale
Elizabeth Story, Tonopah Irrigation District
Jim Sweeney, Maricopa Water District
Sheryl Sweeney, Ryley, Carlock & Applewhite
Bill Taebel, City of Mesa
Glen Vortherms, Maricopa Water District
Chris Ward, Avra Water Co-op
Grant Ward, Electrical District No. 3
Jeff Woner, K. R. Saline & Associates

The meeting of Interested Parties for the 2017 Allocation Process began at 10:00 a.m. Discussion was held regarding the allocation process and qualifications of applicants. The Notice of the Meeting and Agenda are attached. A full recording of the meeting is available for review at the office of the Arizona Power Authority, 1810 West Adams St., Phoenix, AZ. Please call to make reservations if you wish to listen to the meeting recording.

The meeting ended at approximately 11:25 a.m.

COMMISSION

John I. Hudson
Chairman

Stephen M. Brophy
Vice Chairman

Joe A. Albo
Dalton H. Cole
Richard S. Walden



Arizona Power Authority
1810 W. Adams St Phoenix, AZ 85007
(602)368-4265 Fax (602)253-7970

STAFF

Joseph W. Mulholland
Executive Director

Michael A. Gazda
Deputy Director

Susan E. Angulo
Executive Secretary

April 2, 2012

NOTICE OF MEETING
Post-2017 Hoover Allocation Process
Qualifying for Hoover Power

TO: All Parties Interested in the Post-2017 Allocation of Hoover Power

FROM: Joseph W. Mulholland
Executive Director

MEETING

DATE: Thursday, April 26, 2012

TIME: 10:00 a.m.

PLACE: Office of the Arizona Power Authority
1810 W. Adams Street
Phoenix, AZ 85007

PURPOSE: To provide a forum for general discussion regarding qualifications and eligibility requirements of applicants who wish to receive an allocation of Hoover power in 2017.

On Tuesday, March 27, 2012, the Arizona Power Authority held a meeting of interested parties regarding the allocation of Hoover power in 2017. During that meeting, it was suggested that a meeting be held among interested parties to discuss basic concepts regarding the eligibility of an entity to receive Hoover power. It is important to understand that:

1. The official process for allocating Hoover power has not yet begun at either the federal level by the Department of Energy through the Western Area Power Administration, (Western) or at the state level through the Arizona Power Authority.
2. The staff of the Arizona Power Authority cannot give legal advice, nor make decisions or set policy for the Arizona Power Authority. Those functions are exclusively within the purview of the Arizona Power Authority Commission when acting in its official capacity.
3. Pursuant to federal law, the Western Area Power Administration may allocate 69,170 kW of available capacity, plus associated energy through a federal allocation process to qualifying entities within the Boulder City marketing area. The Boulder City marketing area is identified on the attached map, noted as Exhibit 1. At this time, it is expected that the 69,170 kW of available capacity and associated energy will be allocated by Western to qualifying entities before any other Hoover power is allocated by the Arizona Power Authority in Arizona.
4. Federal law stipulates that the Arizona Power Authority will have 190,869 kW of capacity and associated energy, identified under Schedule A, for allocation in Arizona. In addition, the Arizona Power Authority will have 189,860 kW of capacity and associated energy available for allocation in Arizona and identified as Schedule B. Finally, the Arizona Power Authority will have 11,510 kW of capacity and associated energy available for allocation to new entities and identified as Schedule D.

The purpose of the meeting scheduled for Thursday, April 26, 2012 at the Arizona Power Authority will be to provide a forum whereby the interested parties may discuss the eligibility, requirements and qualifications required to receive the Hoover power to be allocated in Arizona in 2017. The Power Authority staff will be available to answer questions and share information with regard to locating existing laws pertaining to these subjects. However, the staff will not render legal opinions, judgments, or positions for the Arizona Power Authority. A proposed Agenda for the April 26th meeting is set forth as the attached.

Susan E. Angulo

Executive Secretary

COMMISSION

John I. Hudson
Chairman

Stephen M. Brophy
Vice Chairman

Joe A. Albo
Dalton H. Cole
Richard S. Walden



Arizona Power Authority
1810 W. Adams St Phoenix, AZ 85007
(602)368-4265 Fax (602)253-7970

STAFF

Joseph W. Mulholland
Executive Director

Michael A. Gazda
Deputy Director

Susan E. Angulo
Executive Secretary

ARIZONA POWER AUTHORITY

POST-2017 HOOVER ALLOCATION PROCESS

QUALIFYING FOR HOOVER POWER MEETING

APRIL 26, 2012 – 10:00 AM

I. Federal Allocation Process (Schedule D 69,170 kW).

Will likely occur first.

A. Qualifications

- Reclamation Law
- Utility Function
- Language of 2011 Hoover Act

B. Application Form/Requested Data

- Form not yet available
- Western used standards in other federal hydropower allocations
- Discuss likely contents of form

C. Timing

D. State Power Contracts

E. Pre-Application Training Session

F. Questions

II. State Allocation Process (Schedule A 190,869 kW, Schedule B 189,860 kW, and Schedule D 11,150 kW).

Will likely occur after federal allocation process.

- A. Qualifications
 - Varies Based Upon Statutory Class of Hoover Power Offered
 - Schedule C Hoover Energy
 - Regulatory Requirements

- B. Application Form/Requested Data
 - Form Not Yet Available
 - Potential Contents
 - Regulatory Requirements

- C. Training Session on Application Form

- D. Timing

- E. State Power Contracts

- F. Questions