

**CORTARO WATER USERS' ASSOCIATION
CORTARO-MARANA IRRIGATION DISTRICT
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October 17, 2014

Chairman and Members of the Commission
of the Arizona Power Authority and
Michael Gazda, Acting Administrator
1810 West Adams Street
Phoenix, Arizona 85007
Via email to mike@powerauthority.org

Re: Primary Marketing Consideration Under
§30-125(a) to Irrigation Agriculture.

Dear Chairman and Mr. Gazda:

The Cortaro-Marana Irrigation District and Cortaro Water Users' Association (referred to in combination as CMID) is an irrigation district organized under the laws of the State of Arizona under the provisions of the Arizona Revised Statutes concerning irrigation districts and with the status of a political subdivision as provided by the Arizona Constitution. The District has been a Hoover Contract customer and allottee of APA since the 1960's. It continues to furnish the electric power and energy for irrigation and agricultural pumping of its members and is seeking a re-allocation of its Hoover power and energy contract based on those needs. It does not serve customers for residential or commercial purposes.

CMID is completely devoted in its operation of delivering pumped ground water and in-lieu CAP water from the Colorado River for the purpose of irrigation by its land owners, whose electric demand for power and energy is associated with the irrigation pumps required to withdraw and apply the water for irrigated agriculture within CMID.

CMID is the historically intended type of District to be benefited by an allocation of the Boulder Canyon Project Hoover power and energy allocated to the State of Arizona to be marketed through the Arizona Power Authority (APA). In contrast to Districts which no longer serve predominately irrigation or irrigated agriculture but which continue to claim the status of irrigation and electrical districts and other districts under Title 48 entitled to be considered for an allocation under Arizona Revised Statutes §30-125(a),

The power and energy demand of CMID is being calculated and will be relatively small in comparison to the total amount of Hoover power and energy available to the APA for marketing under Hoover Schedules A and B of the marketing program.

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The Commission in the exercise of its authority to market Hoover power and energy (Hoover Schedules A and B) should allocate and contract Hoover Schedules A and B power to applicant Districts with a heavy regard and consideration for the amount of irrigation and irrigated agriculture requirements for which Districts devote their electrical resources.

The purpose and intent evidenced by the legislative history of A.R.S. 30-125(a) indicates it was not intended to benefit hobby farmers, lake-owners, recreation projects, commercial enterprises and residential electric consumers. While reading the legislative history (which is in the library of the APA and the history otherwise available for the education of the Commission) it indicates that Districts devoted to irrigation fought a long and lengthy battle to secure a sufficient allocation priority for Hoover power and energy for irrigation uses distinguished from the uses of regulated utilities and other entities whose primary use of power and energy was not devoted to irrigation.

On behalf of CMID, we urge the Commission to take a fresh look at the needs of irrigated agriculture and Districts with a primary purpose and use of furnishing electricity for irrigation in the remarketing of Hoover.

We would point out that in 2017, upon the expiration of the current contracts; no existing allottees-contractors have any right, title, or other claim, either equitable or legal, to any reallocation of any amounts. The amount of allocations is vested solely in the discretion of the Commission acting on behalf of the Authority and the State of Arizona to further the interest and the intent of the legislative history of Title 30 with respect to the marketing of Hoover Schedules A and B.

CMID's electrical demands, the calculation of which will subsequently be presented to the Authority, are slight and small. An allocation can be easily determined and made for the benefit of irrigation and agricultural needs of CMID and its land owners.

It would be a mistake and betrayal of the original trust created and intended by the drafters of ARS 30-125 for the Commission in its remarketing to not focus allocations primarily on the irrigation and agricultural needs of Districts applying for Hoover Schedules A and B.

Very truly yours,

CORTARO-MARANA
IRRIGATION DISTRICT



David Bateman, General Manager

Cc: CMID Board of Directors
Counsel