ORIGINAL TRANSCRIPT

WESTERN AREA POWER ADMINISTRATION CRSP MANAGEMENT CENTER

SLCA/IP FIRM POWER CRSP TRANSMISSION AND ANCILLARY SERVICE RATES PUBLIC COMMENT FORUM

TRANSCRIPT OF **PROCEEDINGS**

March 4, 2008 * 1:42 p.m.

Radisson Hotel Salt Lake City Airport 2177 West North Temple Location: Salt Lake City, Utah 84116-3196

Reporter: Kelly Fine-Jensen, RPR Notary Public in and for the State of Utah



1	<u>APPEARANCES</u>
2	FOR WESTERN AREA POWER ADMINISTRATION:
3	John D. Bremer, Esq. Carol Loftin
4	Paul J. Stuart Rodney Bailey
5	Tamala Gheller Dave Welker
6	Burt Hawkes Frances Hamada
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8	COMMENTERS:
9	Leslie James - CREDA
10	Amy Mignella - ATEA Edward (Ted) C. Rampton - Utah Associated
11	Municipal Power Systems
12	ALSO PRESENT:
13	Jason Thiriot - Colorado Commission of
14	Nevada Kevin Robison - Mt. Wheeler Power
15	Allen Johnson - Bountiful City Cliff Burnett - CREDA
16	Jeff Wover - URSA/CREDA
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PROCEEDINGS

MR. BREMER: Good afternoon. I will now go on the record.

I would like to welcome you today to our public comment forum.

My name is John Bremer. I am an attorney in Western's office of General Counsel. I'm in Lakewood, Colorado. And I'm going to be the moderator -- our offices are in Lakewood, Colorado but I'm going to be the moderator for today's forum.

As noticed in the January 4, 2008 Federal Register Notice, Volume 73, Number 3, page 858, this public comment forum has been scheduled so that you'll have the opportunity to provide formal comments on the proposed adjustments to the firm power rates for Salt Lake City Area Integrated Projects and for Colorado River Storage Project Transmission and Ancillary Services. The proposed adjustments to these rates are scheduled to be effective on October 1, 2008.

The public information forum for these proposed rate adjustments was held at this same location on February 5, 2008. For additional information you may also wish to refer to the rate

brochure, which was mailed to interested parties on January 11, 2008.

Again, on the record, I'll note, as you were informed informally, we will be extending this formal process. There will be an additional Federal Register Notice that will be coming out in the next couple of weeks, which will also announce another public information and comment forum, which will be held at the Bureau of Reclamation's offices here in Salt Lake City. The extension for the entire process and for comments to be in will be May 5, 2008.

To give you an overview of today's comment forum, there will not be any formal presentation by Western's staff, although I'm pleased to introduce of our staff here today, Carol Loftin, Tamala Gheller, Rodney Bailey, Paul Stuart. And let's see, we have Burt Hawkes, Dave Welker, our finance manager, and Frances Hamada.

I think I -- do I have everybody in the room?

As this is a comment forum, there will not be any opportunity for any question and answer session in general, although the public may submit questions later along with comments, and such questions may be answered by Western later in the

public process. The purpose of this forum is to take formal comments from the public. I will moderate the comment session. I anticipate we should have more than adequate time to allow everyone who wishes to provide comments this afternoon to do so.

Please be aware that a verbatim transcript of today's forum is being prepared by a court reporter. Everything said while we are in session today, together with any exhibits, will be part of the official record. Copies of today's transcript will be available to anyone who wants a copy upon payment of the required fee to the court reporter. The court reporter's name, address and telephone number may be obtained at any time after today's forum. Copies of the transcript and complete record of this public process will also be available for review here at the Colorado River Storage Project Management Center in Salt Lake City.

The basic process for providing comments is as follows:

There is no need to formerly submit cards or anything of that nature to indicate your desire to comment. Simply raise your hand. I will recognize you and ask you to present your comments. First, I will ask you to state your name for the record and

1 identify -- ask you to identify any party that you 2 are representing. It may also help to spell your 3 name and provide a business card to the court 4 reporter at the close of the forum. 5 Also, please speak up. 6 Lastly, any comment should be relevant to 7 the proposed rate adjustment. As moderator, I 8 reserve the right to disallow any comments which are 9 not relevant to today's forum. 10 Also if you speak from prepared text, it 11 would greatly benefit the court reporter if you could 12 provide a written copy of your comments at the close 13 of this forum. 14 Our staff may also ask clarifying 15 questions of you regarding your comments. 16 That's the format. I'll now take 17 comments. 18 First up? 19 Leslie James. 20 MS. JAMES: Should I sit here? 21 MR. BREMER: Feel free. 22 MS. JAMES: Thank you. 23 My name is Leslie James. I'm the 24 Executive Director of the Colorado River Energy 25 Distributors Association, or CREDA. CREDA is the

customer organization that represents the majority of resources contracted for under the firm power contracts for the Colorado River Storage Project.

Today we don't have many detail-specific comments, again, due to the reasons that were outlined by John, the extension of the information

outlined by John, the extension of the information and comment forum. But a couple of points we'd like to make.

First, we would like to reiterate our request that was included in a November 27, 2007 letter that indicated, and I quote, "CREDA respectfully requests due to the many issues and uncertainties listed below, that Western consider delaying the SLCA/IP rate adjustment as currently proposed by at least one year."

I won't go into the detailed specifics, but certainly one of the significant changes that has occurred since this letter was written and a response was received was the improved hydrology. And in fact, the December 20, 2007 response from Western did indicate "Improved hydrology on the Colorado River will not cause the rates to over collect, but rather would tend to stabilize the rates."

That issue, coupled with the significant changes in the work program information that we

1 initially reviewed last week would encourage us to 2 ask Western to reconsider that question from our 3 November 27th letter. 4 Secondly, we will submit, certainly. 5 ongoing, additional questions. We do have a series 6 of questions that are unresolved and unanswered 7 related to the work program review process that is a 8 part of Letter Agreement Number 92-SLC-0208, dated 9 September 24, 1992. We have some serious concerns 10 about the timing of the parties' opportunities and 11 rights under that work program agreement as it 12 relates to this current rate process. 13 So I guess that concludes my comments for 14 today. But we will submit additional comments for 15 the record. 16 MR. BREMER: Thank you. 17 Other comments? Anybody else here today 18 wish to put comments on the record? 19 Yes, ma'am. 20 MS. MIGNELLA: My name is Amy Mignella. Ι 21 am with the Arizona Tribal Energy Association. 22 And we will be providing written comments 23 subsequent to the meeting before the final deadline. 24 MR. BREMER: Thank you. 25 Other comments?

Ted.

MR. RAMPTON: My name is Ted Rampton. I represent Utah Associated Municipal Power Systems.

We're a member of CREDA and we support the comments that Ms. James just provided here.

I would like to also stress a point. Our membership is in the midst of preparing their budgets for the following year and we certainly encourage Western to come to some decisions on the rate process or what they plan to do with the rates so that we can incorporate those forecasted rates into our budget planning process.

And we will be submitting comments and/or questions as we study further this rate process.

MR. BREMER: Thank you, Ted.

Other comments? Anyone else?

(No verbal response.)

MR. BREMER: Well, thank you all for your comments. Seeing no one else wishing to speak -- I do want to make it clear that you'll have various opportunities to provide formal comments.

Again, I'll remind you that we will be doing another information and comment forum. So obviously, at that opportunity on April 10th, you'll have the opportunity to submit written comments, you

1 can make oral comments at that time as well. 2 Written comments on the proposed rate adjustment may be submitted at any time during the 3 4 comment period. These comments should be sent to Mr. 5 Bradley Warren, CRSP Manager, CRSP Management Center. 6 150 Social Hall Avenue, Suite 300, Salt Lake City, 7 Utah 84111-1580. E-mail comments should be sent to 8 the e-mail address, which is CRSPMCadj@WAPA.GOV. Any 9 written comments should be mailed so that they are 10 received by April -- sorry, May 5, 2008. 11 Further information may also be obtained 12 from Ms. Loftin by either contacting her at the same 13 address as Mr. Warren or calling 801-524-6380. 14 can e-mail her at LOFTINC@WAPA.GOV, that's 15 L-O-F-T-I-N-C. 16 You can also get further information by 17 periodically going to Western's website under a 18 section entitled "FY 2009 SLCA/IP Rate Adjustment." 19 The URL is 20 http://www.wapa.gov/CRSP/ratescrsp/default.htm. 21 We'll also -- as the new Federal Register 22 Notice is published, we'll also distribute, mail 23 that, a copy of that Federal Register Notice to our 24 mailing list, to the CRSP customers.

After the close of the comment period,

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1	Western's representatives will review all the
2	information, comments and exhibits that have been
3	received with regard to this process. Western will
4	then announce its decision in the Federal Register
5	after the close of the comment period. Comments made
6	during this public process will be discussed in this
7	announcement.
8	I would like to thank you all for coming
9	today and attending this forum.
10	I would like to ask you, if you have not
11	already done so, to register on our sign-up sheet at
12	the table at the front of the room so that we'll have
13	an accurate attendance record.
14	Western's staff will also be around for a
15	few minutes afterwards if you would like to ask some
16	questions on a more informal basis.
17	This forum is now close and I will go off
18	the record.
19	Thank you.
20	(Public Comment Forum concluded at
21	1:56 p.m.)
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1 REPORTER'S HEARING CERTIFICATE 2 STATE OF UTAH 3 SS. COUNTY OF SALT LAKE 4 5 I, Kelly Fine-Jensen, Registered Professional Reporter and Notary Public in and for the State of Utah, do hereby certify: 6 That said proceeding was taken down by me in stenotype on March 4, 2008, at the place therein 7 named, and was thereafter transcribed, and that a 8 true and correct transcription of said testimony is 9 set forth in the preceding pages; 10 I further certify that I am not kin or otherwise associated with any of the parties to said cause of action and that I am not interested in the 11 outcome thereof. 12 WITNESS MY HAND AND OFFICIAL SEAL this 13 12th day of March, 2008. 14 15 16 17 18 19 20 21 KELLY FINE JENSEN 22 NOTARY PUBLIC - STATE OF UTAH 647 HARRISON AVE. Notary Public SALT LAKE CITY UT 84105 23 Residing in Salt Lake County My Comm. Exp. 07/25/2010 24

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SLCA/IP Firm Power CRSP Transmission and Ancillary Service Rates Western Area Power Administration Radisson Hotel Salt Lake City Airport CRSP Management Center Public Comment Forum March 4, 2008 Attendees

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rbailey@uupa.gov	801-524-4007	WAPA	6 Hodney Bailey
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BAHHU WEIKE Carpa gor	801 8244415	LARPA	Melles
801-524-6380 LOFANCOWAR. gas	801-524-6380	WAPA	2 Carol Loftin
jasthiriot a cre. nv. gov	702-486-3505	Colorado Kiver Commission of Nevado	Jason Thirist
E-mail	Phone#	Company	Name

Western Area Power Administration CRSP Management Center SLCA/IP Firm Power CRSP Transmission and Ancillary Service Rates Public Comment Forum

Public Comment Forum
Radisson Hotel Salt Lake City Airport
March 4, 2008
Attendees

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(728-92 DE	801-54-3738	602-748-1344	135-88254601	7209627019		1778-188-37.6	524-6379	Phone #
P-22T) Brightery (122-0	3138 tolecumps com	credatequestinat	435-882548c4 Ci Smarker afflowbook	Gremer @ waps. Sou	801-298-6072 ajohnson ebount totuthingor	Muskevin @ Kuyover 1808	524-6379 hamaba @wapa, gov	E-mail

From-Western Area Power Administration

Western Area Power Administration CRSP Management Center SLCA/IP Firm Power CRSP Transmission and Ancillary Service Rates

Public Comment Forum
Radisson Hotel Salt Lake City Airport
March 4, 2008
<u>Attendees</u>

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