

Plainsandeastern

From: Leslie James <creda@creda.cc>
Sent: Friday, July 10, 2015 2:30 AM
To: Plainsandeastern
Cc: 'Nicki Fuller'
Subject: Plains & Clean Line transmission line
Attachments: 150709 Clean Line Comments Final.pdf

Please see attached comment letter and acknowledge receipt thereof.
Thank you.

Leslie James
CREDA



CREDA
Colorado River Energy Distributors Association

ARIZONA

Arizona Municipal Power Users Association

Arizona Power Authority

Arizona Power Pooling Association

Irrigation and Electrical Districts
Association

Navajo Tribal Utility Authority
(also New Mexico, Utah)

Salt River Project

COLORADO

Colorado Springs Utilities

Intermountain Rural Electric Association

Platte River Power Authority

Tri-State Generation & Transmission
Association, Inc.
(also Nebraska, Wyoming, New Mexico)

Yampa Valley Electric
Association, Inc.

NEBRASKA

Municipal Energy Agency of Nebraska
(also Colorado)

NEVADA

Colorado River Commission
of Nevada

Silver State Energy Association

NEW MEXICO

Farmington Electric Utility System

Los Alamos County

City of Truth or Consequences

UTAH

City of Provo

City of St. George

South Utah Valley Electric Service District

Utah Associated Municipal Power Systems

Utah Municipal Power Agency

WYOMING

Wyoming Municipal Power Agency

Leslie James

Executive Director

CREDA

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July 9, 2015

1222 Program
Office of Electricity Delivery and
Energy Reliability (OE-20)
U.S. Department of Energy
1000 Independence Avenue S.W.
Washington, DC 20585

Via Email: plainsandeastern@hq.doe.gov

RE: OE Docket No. TPF-01, 80 FR 81, April 28, 2015

The Colorado River Energy Distributors Association (CREDA) submits comments in the above referenced docket in support of the concerns of the Southwestern Power Resources Association (SPRA). SPRA has expressed concern about the potential for cost and risk shifting to federal hydropower customers that may result from development of Clean Line Plains & Eastern transmission project under Section 1222 of the Energy Policy Act of 2005.

CREDA is a non-profit, regional organization established in 1978, representing the majority of the consumer-owned, non-profit municipal and rural electric cooperatives, political subdivisions, irrigation and electrical districts and tribal utility authorities that purchase hydropower resources from the Colorado River Storage Project (CRSP). The CRSP is a federal multi-purpose project that provides flood control, water storage for irrigation, municipal and industrial purposes; recreation and fish and wildlife benefits, in addition to the generation and transmission of clean, renewable hydropower. CREDA members serve over four million electric consumers in six western states: Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. CREDA represents its members in dealing with the Bureau of Reclamation – as the CRSP generating agency, and the Western Area Power Administration (WAPA) – as the CRSP marketing agency.

Section 1222 of the Energy Policy Act of 2005 authorizes the Department of Energy, acting through the Administrator of the Western Area Power Administration (WAPA) or through the Administrator of the Southwestern Power Administration (SWPA) or both, to accept third party funds to design, develop, construct, operate, maintain, or own, or participate with other entities in such activities to upgrade existing transmission facilities owned by WAPA or SWPA.

Section 122 also authorizes the Secretary, again acting through WAPA or SWPA, to design, develop, construct, operate, maintain or own, or participate with other entities in such activities relating to new transmission facilities that meet certain statutory criteria.

CREDA members have the same contractual relationship with WAPA that SPRA members have with SWPA. While CREDA is not aware of any Section 1222 applications in WAPA's service territory, the questions about risk- and cost-shifting that SPRA raises are the same questions and concerns CREDA would raise if a Section 1222 project were proposed in the WAPA footprint.

In addition, the resolution of the SPRA questions and concerns with regard to the Clean Line Plains & Eastern transmission line project will undoubtedly become precedent for other projects proposed under Section 1222, whether in the WAPA or SWPA service territory.

CREDA, in its testimony before Congress on the Transmission Infrastructure Program (TIP) authorized in Section 402 of the American Recovery and Reinvestment Act of 2009, raised many of these same concerns. Section 402 authorizes WAPA to borrow funds from the Treasury and the Secretary to loan WAPA up to \$3.25 billion to develop new or upgraded electric power transmission lines and related facilities, with at least one terminus within WAPA's service territory, that facilitate the delivery of power generated by renewable energy resources.

Section 402 contains statutory language intended to protect WAPA customers from cost-shifting, by requiring separate accounting for each TIP project; for the project completed to date (PV-ED5), this was the case, in part because WAPA customers were directly involved in the project. CREDA believes that WAPA customers must remain vigilant to make sure that future TIP projects do not inappropriately assign or shift costs to existing project customers, and that any costs proposed to be included in the rates paid by these customers provide direct benefits to these customers.

For these reasons, CREDA supports the comments submitted by SPRA and its request that its concerns be considered, and that DOE and the applicant guarantee that none of the costs of the proposed project are allocated to SWPA or included in the rates charged to its existing customers.

Thank you for considering these comments.

Sincerely,

Leslie James

Leslie James
Executive Director

Cc: CREDA Board
Nicki Fuller - SPRA

