## Calendar No. 185 **112TH CONGRESS** H.R.470

**1st Session** 

IN THE SENATE OF THE UNITED STATES

October 4, 2011 Received; read twice and placed on the calendar

# **AN ACT**

- To further allocate and expand the availability of hydroelectric power generated at Hoover Dam, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

#### 3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the "Hoover Power Alloca-5 tion Act of 2011".

#### SEC. 2. ALLOCATION OF CONTRACTS FOR POWER. 6

7 (a) SCHEDULE A POWER.—Section 105(a)(1)(A) of

8 the Hoover Power Plant Act of 1984 (43 U.S.C.

9 619a(a)(1)(A) is amended—

(1) by striking "renewal"; 10

(2) by striking "June 1, 1987" and inserting
 "October 1, 2017"; and
 (3) by striking Schedule A and inserting the
 following:

#### "Schedule A

Long-term Schedule A contingent capacity and associated firm energy for offers of contracts to Boulder Canyon project contractors

C + +	Contingent capacity (kW)	Firm energy (thousands of kWh)		
Contractor		Summer	Winter	Total
Metropolitan Water				
District of				
Southern				
California	249,948	$859,\!163$	$368,\!212$	$1,\!227,\!375$
City of Los Angeles	495,732	464,108	$199,\!175$	$663,\!283$
Southern California				
Edison Company	280,245	166,712	$71,\!448$	$238,\!160$
City of Glendale	18,178	45,028	$19,\!297$	64,325
City of Pasadena	11,108	38,622	$16,\!553$	$55,\!175$
City of Burbank	5,176	14,070	6,030	20,100
Arizona Power				
Authority	190,869	429,582	184,107	$613,\!689$
Colorado River				
Commission of				
Nevada	190,869	$429,\!582$	$184,\!107$	$613,\!689$
United States, for				
Boulder City	20,198	$53,\!200$	22,800	76,000
Totals	1,462,323	2,500,067	1,071,729	3,571,796".

5 (b) SCHEDULE B POWER.—Section 105(a)(1)(B) of
6 the Hoover Power Plant Act of 1984 (43 U.S.C.
7 619a(a)(1)(B)) is amended to read as follows:

8 "(B) To each existing contractor for power generated 9 at Hoover Dam, a contract, for delivery commencing Octo-10 ber 1, 2017, of the amount of contingent capacity and 11 firm energy specified for that contractor in the following 12 table:

### "Schedule B

Contractor	Contingent capacity (kW)	Firm energy (thousands of kWh)		
		Summer	Winter	Total
City of Glendale	2,020	2,749	1,194	3,943
City of Pasadena	9,089	2,399	1,041	3,440
City of Burbank	$15,\!149$	3,604	1,566	5,170
City of Anaheim	40,396	34,442	14,958	49,400
City of Azusa	4,039	3,312	1,438	4,750
City of Banning	2,020	1,324	576	1,900
City of Colton	3,030	2,650	1,150	3,800
City of Riverside	$30,\!296$	25,831	11,219	$37,\!050$
City of Vernon	22,218	$18,\!546$	8,054	26,600
Arizona	189,860	140,600	60,800	201,400
Nevada	189,860	$273,\!600$	117,800	$391,\!400$
Totals	507,977	509,057	219,796	728,853".

Long-term Schedule B contingent capacity and associated firm energy for offers of contracts to Boulder Canyon project contractors

(c) SCHEDULE C POWER.—Section 105(a)(1)(C) of
 the Hoover Power Plant Act of 1984 (43 U.S.C.
 619a(a)(1)(C)) is amended—

4 (1) by striking "June 1, 1987" and inserting
5 "October 1, 2017"; and

6 (2) by striking Schedule C and inserting the7 following:

"Schedule C

4

Excess Energy		
Priority of entitlement to excess energy	State	
<ul> <li>First: Meeting Arizona's first priority right to delivery of excess energy which is equal in each year of operation to 200 million kilowatthours: Provided, That in the event excess energy in the amount of 200 million kilowatthours is not generated during any year of operation, Arizona shall accumulate a first right to delivery of excess energy subsequently generated in an amount not to exceed 600 million kilowatthours, inclusive of the current year's 200 million kilowatthours. Said first right of delivery shall accrue at a rate of 200 million kilowatthours per year for each year excess energy in an amount of 200 million kilowatthours is not generated, less amounts of excess energy delivered.</li> <li>Second: Meeting Hoover Dam contractual obligations under Schedule A of subsection (a)(1)(A), under Schedule D of subsection (a)(2), not exceeding 26 million kilowatthours in each year of operation.</li> <li>Third: Meeting the energy requirements of the three States, such available excess energy to be divided equally among the States.</li> </ul>	Arizona Arizona, Nevada, and California Arizona, Nevada, and California".	
(d) Schedule D Power.—See	tion 105(a) of th	
Hoover Power Plant Act of 1984 (43	U.S.C. 619a(a)) i	
amended—		
(1) by redesignating paragr	raphs $(2)$ , $(3)$ , an	
(4) as paragraphs $(3)$ , $(4)$ , and $(4)$	5), respectively; an	
(2) by inserting after para	agraph $(1)$ the fo	
lowing:		

8 "(2)(A) The Secretary of Energy is authorized to and
9 shall create from the apportioned allocation of contingent
10 capacity and firm energy adjusted from the amounts au-

1 thorized in this Act in 1984 to the amounts shown in
2 Schedule A and Schedule B, as modified by the Hoover
3 Power Allocation Act of 2011, a resource pool equal to
4 5 percent of the full rated capacity of 2,074,000 kilowatts,
5 and associated firm energy, as shown in Schedule D (re6 ferred to in this section as 'Schedule D contingent capac7 ity and firm energy'):

#### "Schedule D

Long-term Schedule D resource pool	of contingent capacity an	d associated firm energy for new
	allottees	

State	Contingent capacity (kW)	Firm energy (thousands of kWh)		
		Summer	Winter	Total
New Entities Allocated by the Secretary of Energy New Entities Allocated by State	69,170	105,637	45,376	151,013
Arizona	11,510	17,580	7,533	$25,\!113$
California	11,510	17,580	7,533	$25,\!113$
Nevada	11,510	17,580	7,533	25,113
Totals	103,700	158,377	67,975	226,352

8 "(B) The Secretary of Energy shall offer Schedule 9 D contingency capacity and firm energy to entities not receiving contingent capacity and firm energy under sub-10 paragraphs (A) and (B) of paragraph (1) (referred to in 11 12 this section as 'new allottees') for delivery commencing 13 October 1, 2017 pursuant to this subsection. In this sub-14 section, the term 'the marketing area for the Boulder City Area Projects' shall have the same meaning as in appendix 15 A of the General Consolidated Power Marketing Criteria 16 or Regulations for Boulder City Area Projects published 17 **HR 470 PCS** 

in the Federal Register on December 28, 1984 (49 Fed eral Register 50582 et seq.) (referred to in this section
 as the 'Criteria').

4 "(C)(i) Within 36 months of the date of enactment 5 of the Hoover Power Allocation Act of 2011, the Secretary of Energy shall allocate through the Western Area Power 6 7 Administration (referred to in this section as 'Western'). 8 for delivery commencing October 1, 2017, for use in the 9 marketing area for the Boulder City Area Projects 66.7 10 percent of the Schedule D contingent capacity and firm energy to new allottees that are located within the mar-11 keting area for the Boulder City Area Projects and that 12 13 are—

"(I) eligible to enter into contracts under section 5 of the Boulder Canyon Project Act (43 U.S.C.
617d); or

17 "(II) federally recognized Indian tribes.

18 "(ii) In the case of Arizona and Nevada, Schedule D contingent capacity and firm energy for new allottees 19 20 other than federally recognized Indian tribes shall be of-21 fered through the Arizona Power Authority and the Colo-22 rado River Commission of Nevada, respectively. Schedule 23 D contingent capacity and firm energy allocated to feder-24 ally recognized Indian tribes shall be contracted for di-25 rectly with Western.

"(D) Within 1 year of the date of enactment of the
 Hoover Power Allocation Act of 2011, the Secretary of
 Energy also shall allocate, for delivery commencing Octo ber 1, 2017, for use in the marketing area for the Boulder
 City Area Projects 11.1 percent of the Schedule D contin gent capacity and firm energy to each of—

7 "(i) the Arizona Power Authority for allocation8 to new allottees in the State of Arizona;

9 "(ii) the Colorado River Commission of Nevada
10 for allocation to new allottees in the State of Ne11 vada; and

"(iii) Western for allocation to new allottees
within the State of California, provided that Western
shall have 36 months to complete such allocation.

15 "(E) Each contract offered pursuant to this subsection shall include a provision requiring the new allottee 16 to pay a proportionate share of its State's respective con-17 18 tribution (determined in accordance with each State's applicable funding agreement) to the cost of the Lower Colo-19 rado River Multi-Species Conservation Program (as de-20 21 fined in section 9401 of the Omnibus Public Land Man-22 agement Act of 2009 (Public Law 111-11; 123 Stat. 23 1327)), and to execute the Boulder Canyon Project Imple-24 mentation Agreement Contract No. 95–PAO–10616 (re1 ferred to in this section as the 'Implementation Agree-2 ment').

3 "(F) Any of the 66.7 percent of Schedule D contin-4 gent capacity and firm energy that is to be allocated by 5 Western that is not allocated and placed under contract by October 1, 2017, shall be returned to those contractors 6 7 shown in Schedule A and Schedule B in the same propor-8 tion as those contractors' allocations of Schedule A and 9 Schedule B contingent capacity and firm energy. Any of 10 the 33.3 percent of Schedule D contingent capacity and firm energy that is to be distributed within the States of 11 Arizona, Nevada, and California that is not allocated and 12 13 placed under contract by October 1, 2017, shall be returned to the Schedule A and Schedule B contractors 14 15 within the State in which the Schedule D contingent capacity and firm energy were to be distributed, in the same 16 17 proportion as those contractors' allocations of Schedule A 18 and Schedule B contingent capacity and firm energy.".

(e) TOTAL OBLIGATIONS.—Paragraph (3) of section
105(a) of the Hoover Power Plant Act of 1984 (43 U.S.C.
619a(a)) (as redesignated as subsection (d)(1)) is amended—

23 (1) in the first sentence, by striking "schedule
24 A of section 105(a)(1)(A) and schedule B of section

1	105(a)(1)(B)" and inserting "paragraphs (1)(A),
2	(1)(B), and (2)"; and
3	(2) in the second sentence—
4	(A) by striking "any" each place it appears
5	and inserting "each";
6	(B) by striking "schedule C" and inserting
7	"Schedule C"; and
8	(C) by striking "schedules A and B" and
9	inserting "Schedules A, B, and D".
10	(f) Power Marketing Criteria.—Paragraph (4)
11	of section 105(a) of the Hoover Power Plant Act of 1984
12	(43 U.S.C. $619a(a)$ ) (as redesignated as subsection (d)(1))
13	is amended to read as follows:
14	"(4) Subdivision C of the Criteria shall be deemed
15	to have been modified to conform to this section, as modi-
16	fied by the Hoover Power Allocation Act of 2011. The Sec-
17	retary of Energy shall cause to be included in the Federal
18	Register a notice conforming the text of the regulations
19	to such modifications.".
20	(g) CONTRACT TERMS.—Paragraph (5) of section
21	105(a) of the Hoover Power Plant Act of 1984 (43 U.S.C.
22	619a(a)) (as redesignated as subsection $(d)(1)$ ) is amend-
23	ed—
24	(1) by striking subparagraph (A) and inserting
25	the following:

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1	"(A) in accordance with section 5(a) of the
2	Boulder Canyon Project Act (43 U.S.C. 617d(a)),
3	expire September 30, 2067;";
4	(2) in the proviso of subparagraph (B)—
5	(A) by striking "shall use" and inserting
6	"shall allocate"; and
7	(B) by striking "and" after the semicolon
8	at the end;
9	(3) in subparagraph (C), by striking the period
10	at the end and inserting a semicolon; and
11	(4) by adding at the end the following:
12	"(D) authorize and require Western to collect
13	from new allottees a pro rata share of Hoover Dam
14	repayable advances paid for by contractors prior to
15	October 1, 2017, and remit such amounts to the
16	contractors that paid such advances in proportion to
17	the amounts paid by such contractors as specified in
18	section 6.4 of the Implementation Agreement;
19	"(E) permit transactions with an independent
20	system operator; and
21	"(F) contain the same material terms included
22	in section 5.6 of those long-term contracts for pur-
23	chases from the Hoover Power Plant that were made
24	in accordance with this Act and are in existence on

the date of enactment of the Hoover Power Alloca tion Act of 2011.".

3 (h) EXISTING RIGHTS.—Section 105(b) of the Hoo4 ver Power Plant Act of 1984 (43 U.S.C. 619a(b)) is
5 amended by striking "2017" and inserting "2067".

6 (i) OFFERS.—Section 105(c) of the Hoover Power
7 Plant Act of 1984 (43 U.S.C. 619a(c)) is amended to read
8 as follows:

9 "(c) Offer of Contract to Other Entities.— 10 If any existing contractor fails to accept an offered contract, the Secretary of Energy shall offer the contingent 11 capacity and firm energy thus available first to other enti-12 13 ties in the same State listed in Schedule A and Schedule B, second to other entities listed in Schedule A and Sched-14 15 ule B, third to other entities in the same State which receive contingent capacity and firm energy under sub-16 17 section (a)(2) of this section, and last to other entities which receive contingent capacity and firm energy under 18 19 subsection (a)(2) of this section.".

(j) AVAILABILITY OF WATER.—Section 105(d) of the
Hoover Power Plant Act of 1984 (43 U.S.C. 619a(d)) is
amended to read as follows:

23 "(d) WATER AVAILABILITY.—Except with respect to
24 energy purchased at the request of an allottee pursuant
25 to subsection (a)(3), the obligation of the Secretary of En-

ergy to deliver contingent capacity and firm energy pursu-1 2 ant to contracts entered into pursuant to this section shall 3 be subject to availability of the water needed to produce 4 such contingent capacity and firm energy. In the event 5 that water is not available to produce the contingent capacity and firm energy set forth in Schedule A, Schedule 6 7 B, and Schedule D, the Secretary of Energy shall adjust 8 the contingent capacity and firm energy offered under 9 those Schedules in the same proportion as those contrac-10 tors' allocations of Schedule A, Schedule B, and Schedule D contingent capacity and firm energy bears to the full 11 rated contingent capacity and firm energy obligations.". 12 13 (k) CONFORMING AMENDMENTS.—Section 105 of the Hoover Power Plant Act of 1984 (43 U.S.C. 619a) is 14 15 amended-

16 (1) by striking subsections (e) and (f); and

17 (2) by redesignating subsections (g), (h), and18 (i) as subsections (e), (f), and (g), respectively.

(1) CONTINUED CONGRESSIONAL OVERSIGHT.—Sub20 section (e) of section 105 of the Hoover Power Plant Act
21 of 1984 (43 U.S.C. 619a)) (as redesignated by subsection
22 (k)(2)) is amended—

(1) in the first sentence, by striking "the re-newal of"; and

(2) in the second sentence, by striking "June 1,
 1987, and ending September 30, 2017" and insert ing "October 1, 2017, and ending September 30,
 2067".

(m) COURT CHALLENGES.—Subsection (f)(1) of section 105 of the Hoover Power Plant Act of 1984 (43)
U.S.C. 619a) (as redesignated by subsection (k)(2)) is
amended in the first sentence by striking "this Act" and
inserting "the Hoover Power Allocation Act of 2011".

(n) REAFFIRMATION OF CONGRESSIONAL DECLARA11 TION OF PURPOSE.—Subsection (g) of section 105 of the
12 Hoover Power Plant Act of 1984 (43 U.S.C. 619a) (as
13 redesignated by subsection (k)(2)) is amended—

14 (1) by striking "subsections (c), (g), and (h) of
15 this section" and inserting "this Act"; and

16 (2) by striking "June 1, 1987, and ending Sep17 tember 30, 2017" and inserting "October 1, 2017,
18 and ending September 30, 2067".

## 19 SEC. 3. PAYGO.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, pro2 vote on passage.

Passed the House of Representatives October 3, 2011.

Attest:

KAREN L. HAAS, *Clerk.* 

Calendar No. 185

112TH CONGRESS H. R. 470

# AN ACT

To further allocate and expand the availability of hydroelectric power generated at Hoover Dam, and for other purposes.

OCTOBER 4, 2011 Received; read twice and placed on the calendar