

Union Calendar No. 104

112TH CONGRESS
1ST SESSION

H. R. 470

[Report No. 112–159, Part I]

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

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 2011

Mr. HECK (for himself, Mrs. NAPOLITANO, Mr. BACA, and Mr. DREIER) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JULY 20, 2011

Reported from the Committee on Natural Resources

JULY 20, 2011

Additional sponsors: Mr. FRANKS of Arizona, Ms. BERKLEY, Mr. SCHIFF, Ms. RICHARDSON, Mr. McKEON, Mr. COSTA, Mr. HONDA, Mr. GALLEGLY, Mr. HELLER, Ms. ROYBAL-ALLARD, Mr. GARY G. MILLER of California, Ms. LORETTA SANCHEZ of California, Mr. CALVERT, Mr. CAMPBELL, Mr. SHERMAN, Ms. CHU, Mrs. CAPPS, Mr. WAXMAN, Mr. SCHWEIKERT, Mr. ROYCE, Mr. QUAYLE, Mr. GRIJALVA, Mr. GOSAR, Mrs. BONO MACK, Ms. BASS of California, Mr. BERMAN, Mr. FLAKE, Mr. BECERRA, Mr. BILBRAY, Mr. HUNTER, and Mr. LEWIS of California

JULY 20, 2011

The Committee on the Budget discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

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”.

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

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—

10 (1) by striking “renewal”;

11 (2) by striking “June 1, 1987” and inserting
 12 “October 1, 2017”; and

13 (3) by striking Schedule A and inserting the
 14 following:

“Schedule A

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

Contractor	Contingent capacity (kW)	Firm energy (thousands of kWh)		
		Summer	Winter	Total
Metropolitan Water District of Southern California	249,948	859,163	368,212	1,227,375
City of Los Angeles Southern California Edison Company ..	495,732	464,108	199,175	663,283
City of Glendale	280,245	166,712	71,448	238,160
City of Pasadena	18,178	45,028	19,297	64,325
City of Burbank	11,108	38,622	16,553	55,175
Arizona Power Authority	5,176	14,070	6,030	20,100
Colorado River Commission of Nevada	190,869	429,582	184,107	613,689
	190,869	429,582	184,107	613,689

“Schedule A—Continued

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

Contractor	Contingent capacity (kW)	Firm energy (thousands of kWh)		
		Summer	Winter	Total
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”.

1 (b) SCHEDULE B POWER.—Section 105(a)(1)(B) of
2 the Hoover Power Plant Act of 1984 (43 U.S.C.
3 619a(a)(1)(B)) is amended to read as follows:

4 “(B) To each existing contractor for power generated
5 at Hoover Dam, a contract, for delivery commencing Octo-
6 ber 1, 2017, of the amount of contingent capacity and
7 firm energy specified for that contractor in the following
8 table:

“Schedule B

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

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”.

1 (c) SCHEDULE C POWER.—Section 105(a)(1)(C) of
 2 the Hoover Power Plant Act of 1984 (43 U.S.C.
 3 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 the
 7 following:

“Schedule C
 Excess Energy

Priority of entitlement to excess energy	State
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.	Arizona
Second: Meeting Hoover Dam contractual obligations under Schedule A of subsection (a)(1)(A), under Schedule B of subsection (a)(1)(B), and under Schedule D of subsection (a)(2), not exceeding 26 million kilowatthours in each year of operation.	Arizona, Nevada, and California
Third: Meeting the energy requirements of the three States, such available excess energy to be divided equally among the States.	Arizona, Nevada, and California”.

8 (d) SCHEDULE D POWER.—Section 105(a) of the
 9 Hoover Power Plant Act of 1984 (43 U.S.C. 619a(a)) is
 10 amended—

1 (1) by redesignating paragraphs (2), (3), and
 2 (4) as paragraphs (3), (4), and (5), respectively; and
 3 (2) by inserting after paragraph (1) the fol-
 4 lowing:

5 “(2)(A) The Secretary of Energy is authorized to and
 6 shall create from the apportioned allocation of contingent
 7 capacity and firm energy adjusted from the amounts au-
 8 thorized in this Act in 1984 to the amounts shown in
 9 Schedule A and Schedule B, as modified by the Hoover
 10 Power Allocation Act of 2011, a resource pool equal to
 11 5 percent of the full rated capacity of 2,074,000 kilowatts,
 12 and associated firm energy, as shown in Schedule D (re-
 13 ferred to in this section as ‘Schedule D contingent capac-
 14 ity and firm energy’):

“Schedule D

Long-term Schedule D resource pool of contingent capacity and 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	69,170	105,637	45,376	151,013
New Entities Allocated by State				
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

15 “(B) The Secretary of Energy shall offer Schedule
 16 D contingency capacity and firm energy to entities not re-
 17 ceiving contingent capacity and firm energy under sub-

1 paragraphs (A) and (B) of paragraph (1) (referred to in
2 this section as ‘new allottees’) for delivery commencing
3 October 1, 2017 pursuant to this subsection. In this sub-
4 section, the term ‘the marketing area for the Boulder City
5 Area Projects’ shall have the same meaning as in appendix
6 A of the General Consolidated Power Marketing Criteria
7 or Regulations for Boulder City Area Projects published
8 in the Federal Register on December 28, 1984 (49 Fed-
9 eral Register 50582 et seq.) (referred to in this section
10 as the ‘Criteria’).

11 “(C)(i) Within 36 months of the date of enactment
12 of the Hoover Power Allocation Act of 2011, the Secretary
13 of Energy shall allocate through the Western Area Power
14 Administration (referred to in this section as ‘Western’),
15 for delivery commencing October 1, 2017, for use in the
16 marketing area for the Boulder City Area Projects 66.7
17 percent of the Schedule D contingent capacity and firm
18 energy to new allottees that are located within the mar-
19 keting area for the Boulder City Area Projects and that
20 are—

21 “(I) eligible to enter into contracts under sec-
22 tion 5 of the Boulder Canyon Project Act (43 U.S.C.
23 617d); or

24 “(II) federally recognized Indian tribes.

1 “(ii) In the case of Arizona and Nevada, Schedule
2 D contingent capacity and firm energy for new allottees
3 other than federally recognized Indian tribes shall be of-
4 fered through the Arizona Power Authority and the Colo-
5 rado River Commission of Nevada, respectively. Schedule
6 D contingent capacity and firm energy allocated to feder-
7 ally recognized Indian tribes shall be contracted for di-
8 rectly with Western.

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

15 “(i) the Arizona Power Authority for allocation
16 to new allottees in the State of Arizona;

17 “(ii) the Colorado River Commission of Nevada
18 for allocation to new allottees in the State of Ne-
19 vada; and

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

23 “(E) Each contract offered pursuant to this sub-
24 section shall include a provision requiring the new allottee
25 to pay a proportionate share of its State’s respective con-

1 tribution (determined in accordance with each State’s ap-
2 plicable funding agreement) to the cost of the Lower Colo-
3 rado River Multi-Species Conservation Program (as de-
4 fined in section 9401 of the Omnibus Public Land Man-
5 agement Act of 2009 (Public Law 111–11; 123 Stat.
6 1327)), and to execute the Boulder Canyon Project Imple-
7 mentation Agreement Contract No. 95–PAO–10616 (re-
8 ferred to in this section as the ‘Implementation Agree-
9 ment’).

10 “(F) Any of the 66.7 percent of Schedule D contin-
11 gent capacity and firm energy that is to be allocated by
12 Western that is not allocated and placed under contract
13 by October 1, 2017, shall be returned to those contractors
14 shown in Schedule A and Schedule B in the same propor-
15 tion as those contractors’ allocations of Schedule A and
16 Schedule B contingent capacity and firm energy. Any of
17 the 33.3 percent of Schedule D contingent capacity and
18 firm energy that is to be distributed within the States of
19 Arizona, Nevada, and California that is not allocated and
20 placed under contract by October 1, 2017, shall be re-
21 turned to the Schedule A and Schedule B contractors
22 within the State in which the Schedule D contingent ca-
23 pacity and firm energy were to be distributed, in the same
24 proportion as those contractors’ allocations of Schedule A
25 and Schedule B contingent capacity and firm energy.”.

1 (e) TOTAL OBLIGATIONS.—Paragraph (3) of section
2 105(a) of the Hoover Power Plant Act of 1984 (43 U.S.C.
3 619a(a)) (as redesignated as subsection (d)(1)) is amend-
4 ed—

5 (1) in the first sentence, by striking “schedule
6 A of section 105(a)(1)(A) and schedule B of section
7 105(a)(1)(B)” and inserting “paragraphs (1)(A),
8 (1)(B), and (2)”; and

9 (2) in the second sentence—

10 (A) by striking “any” and inserting
11 “each”;

12 (B) by striking “schedule C” and inserting
13 “Schedule C”; and

14 (C) by striking “schedules A and B” and
15 inserting “Schedules A, B, and D”.

16 (f) POWER MARKETING CRITERIA.—Paragraph (4)
17 of section 105(a) of the Hoover Power Plant Act of 1984
18 (43 U.S.C. 619a(a)) (as redesignated as subsection (d)(1))
19 is amended to read as follows:

20 “(4) Subdivision E of the Criteria shall be deemed
21 to have been modified to conform to this section, as modi-
22 fied by the Hoover Power Allocation Act of 2011. The Sec-
23 retary of Energy shall cause to be included in the Federal
24 Register a notice conforming the text of the regulations
25 to such modifications.”.

1 (g) CONTRACT TERMS.—Paragraph (5) of section
2 105(a) of the Hoover Power Plant Act of 1984 (43 U.S.C.
3 619a(a)) (as redesignated as subsection (d)(1)) is amend-
4 ed—

5 (1) by striking subparagraph (A) and inserting
6 the following:

7 “(A) in accordance with section 5(a) of the
8 Boulder Canyon Project Act (43 U.S.C. 617d(a)),
9 expire September 30, 2067;”;

10 (2) in the proviso of subparagraph (B)—

11 (A) by striking “shall use” and inserting
12 “shall allocate”; and

13 (B) by striking “and” after the semicolon
14 at the end;

15 (3) in subparagraph (C), by striking the period
16 at the end and inserting a semicolon; and

17 (4) by adding at the end the following:

18 “(D) authorize and require Western to collect
19 from new allottees a pro rata share of Hoover Dam
20 repayable advances paid for by contractors prior to
21 October 1, 2017, and remit such amounts to the
22 contractors that paid such advances in proportion to
23 the amounts paid by such contractors as specified in
24 section 6.4 of the Implementation Agreement;

1 “(E) permit transactions with an independent
2 system operator; and

3 “(F) contain the same material terms included
4 in section 5.6 of those long-term contracts for pur-
5 chases from the Hoover Power Plant that were made
6 in accordance with this Act and are in existence on
7 the date of enactment of the Hoover Power Alloca-
8 tion Act of 2011.”.

9 (h) EXISTING RIGHTS.—Section 105(b) of the Hoo-
10 ver Power Plant Act of 1984 (43 U.S.C. 619a(b)) is
11 amended by striking “2017” and inserting “2067”.

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

15 “(c) OFFER OF CONTRACT TO OTHER ENTITIES.—
16 If any existing contractor fails to accept an offered con-
17 tract, the Secretary of Energy shall offer the contingent
18 capacity and firm energy thus available first to other enti-
19 ties in the same State listed in Schedule A and Schedule
20 B, second to other entities listed in Schedule A and Sched-
21 ule B, third to other entities in the same State which re-
22 ceive contingent capacity and firm energy under sub-
23 section (a)(2) of this section, and last to other entities
24 which receive contingent capacity and firm energy under
25 subsection (a)(2) of this section.”.

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

4 “(d) WATER AVAILABILITY.—Except with respect to
5 energy purchased at the request of an allottee pursuant
6 to subsection (a)(3), the obligation of the Secretary of En-
7 ergy to deliver contingent capacity and firm energy pursu-
8 ant to contracts entered into pursuant to this section shall
9 be subject to availability of the water needed to produce
10 such contingent capacity and firm energy. In the event
11 that water is not available to produce the contingent ca-
12 pacity and firm energy set forth in Schedule A, Schedule
13 B, and Schedule D, the Secretary of Energy shall adjust
14 the contingent capacity and firm energy offered under
15 those Schedules in the same proportion as those contrac-
16 tors’ allocations of Schedule A, Schedule B, and Schedule
17 D contingent capacity and firm energy bears to the full
18 rated contingent capacity and firm energy obligations.”.

19 (k) CONFORMING AMENDMENTS.—Section 105 of the
20 Hoover Power Plant Act of 1984 (43 U.S.C. 619a) is
21 amended—

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

23 (2) by redesignating subsections (g), (h), and

24 (i) as subsections (e), (f), and (g), respectively.

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

5 (1) in the first sentence, by striking “the re-
6 newal of”; and

7 (2) in the second sentence, by striking “June 1,
8 1987, and ending September 30, 2017” and insert-
9 ing “October 1, 2017, and ending September 30,
10 2067”.

11 (m) COURT CHALLENGES.—Subsection (f)(1) of sec-
12 tion 105 of the Hoover Power Plant Act of 1984 (43
13 U.S.C. 619a) (as redesignated by subsection (k)(2)) is
14 amended in the first sentence by striking “this Act” and
15 inserting “the Hoover Power Allocation Act of 2011”.

16 (n) REAFFIRMATION OF CONGRESSIONAL DECLARA-
17 TION OF PURPOSE.—Subsection (g) of section 105 of the
18 Hoover Power Plant Act of 1984 (43 U.S.C. 619a) (as
19 redesignated by subsection (k)(2)) is amended—

20 (1) by striking “subsections (e), (g), and (h) of
21 this section” and inserting “this Act”; and

22 (2) by striking “June 1, 1987, and ending Sep-
23 tember 30, 2017” and inserting “October 1, 2017,
24 and ending September 30, 2067”.

1 **SEC. 3. PAYGO.**

2 The budgetary effects of this Act, for the purpose of
3 complying with the Statutory Pay-As-You-Go Act of 2010,
4 shall be determined by reference to the latest statement
5 titled “Budgetary Effects of PAYGO Legislation” for this
6 Act, submitted for printing in the Congressional Record
7 by the Chairman of the House Budget Committee, pro-
8 vided that such statement has been submitted prior to the
9 vote on passage.

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