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March 15, 2008

Mr. Timothy Meeks, Administrator
Western Area Power Administration
Post Office Box 281213
Lakewood, Colorado 80228-8213

Re: Comments on Western Strategic Work Plan and Opposition
Pending Receipt of Data

Dear Mr. Meeks:

The Arizona Municipal Power Users' Association ("AMPUA") is an association of consumer-owned and operated electrical systems and it consists of cities and towns, rural electric distribution and generation cooperatives, special districts, irrigation and electrical districts, water conservation districts, agricultural improvement districts and Indian utilities all of whom are Western customers either directly from Parker-Davis or CRSP, or indirectly from Hoover. Collectively the members deliver almost one-half the electricity in Arizona to over two million people. Western has historically devoted itself to serving the needs of these member-customers.

AMPUA supports the comments and position of the Colorado River Energy Distributors Association as delivered to you on March 14, 2008. AMPUA provides the following comments on operational consolidation issues, recognizing that the comments pertain not only to operational consolidation, but also to Western's Strategic Planning Process ("Update March 2008").

Without a sharing by Western of the data utilized and derived from the studies and the work effort of Western's staff (and the opportunity and sufficient time to review the data upon which Western made its analysis), AMPUA must question and be opposed to the proposed actions in pursuit of the elements of the strategic plan which are not clearly within the Western statutory mission to deliver least-cost benefits to the customers with whom it has contracts for the sale of Reclamation project power, energy and transmission and clearly disclosed to reduce customer costs (other than costs customers agree to pay).

AMPUA supports items such as consolidation of NERC, FERC and WECC and other regulatory functions into a primary office location accessible to the regions' responsible personnel and also supports consolidating design efforts and the concept of outsourcing some functions.

AMPUA provides the following comments on operational consolidation issues, recognizing that the comments pertain not only to operational consolidation, but also to Western's Strategic Planning Process ("Update March 2008").

As noted above, without being provided further information and supporting detail, AMPUA must oppose initiatives not directly related to Western's obligation to deliver federal hydropower to its long-term firm power contractors. Funding (including costs of planning, capital, OM&R, program direction, repayment), and risk associated with initiatives being considered which appear to be outside this scope and not beneficial or cost-effective to Western firm power contractors must be borne directly by the recipient beneficiaries). In order for AMPUA and its membership to be able to work in a constructive, interactive process with Western regarding the Strategic Planning and proposed operational consolidation processes, AMPUA requests and recommends that as to each of the Strategic Planning elements, the following information be provided:

- a) Relationship to firm power delivery obligation;
- b) Beneficiary(ies);
- c) Cost/benefit and rate impact, by project;
- d) Funding source(s);
- e) FTE implications, initially and over time ;
- f) Affected work plan category(ies); and
- g) Timetable

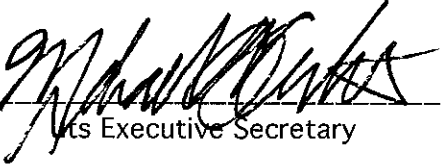
AMPUA and its members wish to work and dialogue with Western in a partnership to preserve and enhance that mission and to create efficiencies and cost savings for the Western customers and our members. When AMPUA has received the above requested information and answers, coupled with previously asked questions by others and replies to comments on operational consolidation as submitted by CREDA and individual members of AMPUA, it will be better positioned to provide detailed input to you. As indicated at the

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February 12th and February 14th customer meetings, customers of Western have faced many challenges over the years and have successfully collaborated to meet those challenges.

Sincerely,

ARIZONA MUNICIPAL POWER USERS'
ASSOCIATION

By  _____
Executive Secretary