



**FARMINGTON ELECTRIC  
UTILITY SYSTEM**

**CITY OF FARMINGTON, NEW MEXICO  
ELECTRIC ADMINISTRATION**

**Maude Grantham-Richards  
Electric Utility Director**

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May 5, 2008

Mr. Brad Warren  
CRSP Management Center  
Western Area Power Administration  
P.O. Box 11606  
Salt Lake City, UT 84147-0606

Email: [CRSPMCadj@wapa.gov](mailto:CRSPMCadj@wapa.gov) -- WAPA-137

Dear Mr. Warren:

Attached are comments on the Salt Lake City Area Integrated Projects Firm Power Rate proceeding (73 FR No. 3, January 4, 2008 and 73 FR No. 57, March 24, 2008) submitted by the City of Farmington's Electric Utility System.

As a member of CREDA, we appreciate the opportunity Western has afforded us and CREDA to work with Western staff to mitigate the impact of any rate increase. We encourage Western to delay the implementation of the rate until October 1, 2009 or if unable to do so, to implement the rate in multiple phases with phase I at zero or an absolutely minimal increase. The reason we encourage Western to proceed in this manner is due to the following:

- power repayment study (PRS) obligation timing implications
- to closely review FY 2010 work program materials to ensure the need of the projects
- the recent approval of Congress of a security cost cap
- good hydrology and the most recent 24 month study, and
- enhanced unit efficiencies.

We truly appreciate the efforts of you and your staff to work with us; we also reserve the right to comment on those adjustments prior to finalization of the rate later this summer.

Please do not hesitate to contact me with any questions.

Sincerely,



Maude Grantham-Richards  
Electric Utility Director  
Farmington Electric Utility System