



CITY OF FARMINGTON, NEW MEXICO
ELECTRIC ADMINISTRATION
Maude Grantham-Richards
Electric Utility Director
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April 3, 2009

Mr. Timothy J. Meeks
Administrator
Western Area Power Administration

Via email: txprogram@wapa.gov

RE: Notice of Proposed Program and Request for Public Comments (74 FRN No. 41,
March 4, 2009) ("Notice")

Dear Mr. Meeks:

The City of Farmington's Electric Utility appreciates the opportunity to comment on the above referenced Notice on the proposed Transmission Infrastructure Program (TIP) and support the comments provided by CREDA.

The Electric Utility provides service to approximately 45,000 customers in San Juan County, in Northwest New Mexico. The Electric Utility is a recipient of an allocation of Colorado River Storage Project power from Glen Canyon Dam, has been a long-term customer of the Western Area Power Administration and has an existing contract until 2024.

The Electric Utility looks forward to working with Western as the agency undertakes the new responsibilities and authorities afforded it by Section 402 of the American Recovery and Reinvestment Act of 2009 to ensure that our customers will not be financial impacted through their rates by the development of facilities that will not bring additional value to them.

The Farmington Electric Utility anticipates that renewable projects, especially solar in the western portion of the state since it is the #2 solar State in the Nation, will be developed. To maximize these projects for the benefit of other Western States, transmission will be an absolute necessity. These projects may be developed by utilities, independents or even States therefore we do want to ensure that accounting for the projects as they are planned, studied, developed, constructed, operated and maintained, will be charged properly so as to not impact any customers that are not beneficiaries of the resources being built.

We also want to bring attention to the fact that the FRN mentions ancillary services. Should those services be offered by Western in association with these new projects, we, as long-term beneficiaries of the hydroelectric generation, are not impacted in our resource and it is not used to offer “balancing” to these new intermittent renewable projects.

Furthermore, we would want to ensure that the offer of ancillary services in conjunction with the operation of the intermittent renewable resources does not impact Western’s ability to maintain its absolute strict adherence to FERC, NERC and WECC mandatory standards.

Any one of these items and others could substantially increase the cost of operation for Western and again, we want to ensure that these expenses throughout the life of the projects are born by those participants. Should we be one of the participants, we would anticipate paying our own way.

Thank you for the opportunity to comment and the Farmington Electric Utility looks forward to participating with Western as the policies, practices and procedures and the TIP are developed and implemented.

Sincerely,

Maude Grantham-Richards
Electric Utility Director
Farmington Electric Utility System