



**CITY OF FARMINGTON, NEW MEXICO
ELECTRIC ADMINISTRATION
Maude Grantham-Richards
Electric Utility Director
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July 23, 2009

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

Email: warren@wapa.gov

Dear Mr. Warren:

Through this letter, the City of Farmington's Electric Utility is supporting the comments of the Colorado Energy Distributors Association.

It is surprising to us that during times when the economy is having a major impact on citizens, we, as a utility, are facing more and more customers on a daily basis that cannot afford to pay their bills, that there is actually some action that can be taken to help reduce our customers' electric bills and we (Western and Farmington) are not doing it.

Therefore, as recommended by CREDA, we urge Western to continue evaluating the power repayment study (PRS) apportionment obligation timing implications. The current accounting practice, while it may be legally sufficient, goes beyond the requirements and intent of the CRSP Act and does not produce the lowest possible rate to customers consistent with sound business principles, in accordance with RA 6120.2 and the Delegation Order (as cited by FERC in EF08-5171-000. This issue will continue to persist in future rate cases until Western finds a way to resolve it. The proposal offered by CREDA continues to maintain the legal obligations, yet would produce a significantly lower rate. As we learned at the June 25, 2009 customer meeting with regard to the timing of salinity obligations, Western clearly has the discretion to make PRS timing and methodology changes as long as they are consistent with the law.

Sincerely,

Maude Grantham-Richards
Electric Utility Director
Farmington Electric Utility System