



# San Diego County Agricultural Energy Cooperative

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September 11, 2006

**Board of Directors:**

**Bob Echter**  
*Dramm & Echter*

**Al Stehly**  
*Stehly Grove Management*

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*Sunlet Nursery*

**Jerry Church**  
*EuroAmerican Propagators*

**Fred Clarke**  
*The Flower Fields*

**Bas Denbraver**  
*Twin Oaks Growers*

**William Kovach**  
*Specimen House*

**Michael A. Mellano**  
*Mellano & Company*

**David Stepp**  
*Bear Valley Farm*

Brian Young  
Department of Energy  
Western Area Power Administration  
P.O. Box 6457  
Phoenix, CA 85005-6457

Dear Mr. Young:

We would like to express our great disappointment with the fact that our cooperative was not given an opportunity to compete for the recent allocation of the post-2008 Parker-Davis Project Resource Pool. Per the notification letter from Assistant Regional Manager Jean Gray, it was determined that our cooperative did not meet the General Eligibility Criteria for utility status. In addition to our disappointment, we must say that we do not understand why it was determined that our cooperative did not meet the utility status test.

If the decision to not grant our cooperative utility status was based on the fact that the members of our cooperative are currently served by investor-owned and publicly-owned utilities, we would then appreciate an explanation why the application criteria clearly stated that arrangements with third parties for transmission and distribution by April 1, 2008 was acceptable.

Thank you for your consideration and we look forward to your reply.

Sincerely,

Eric Larson  
Acting General Manager