

**IRRIGATION & ELECTRICAL DISTRICTS
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July 9, 2010

Darrick Moe, Regional Manager
Desert Southwest Customer Service Region
Western Area Power Administration
P.O. Box 6457
Phoenix, Arizona 85005-6457

Re: SPPR Group Proposal dated June 23, 2010

Dear Darrick:

At the June 23, 2010 meeting Western conducted on this subject, you asked for feedback by today. You are especially requesting feedback on the proposed ED5-PV Project outlined in the presentation on June 23.

As you know, IEDA members make up a significant portion of the SPPR group. Thus, IEDA supports going forward with this proposal under the conditions outlined in the presentation.

However, we wish to note that our conversations at meetings with other Western customers outside Arizona indicate that there are some questions about the potential for this project to create cross-subsidization impacting other Western customers. While we do not believe that that problem will present itself with this proposal, we mention it because we believe Western needs to increase its networking with other customers in order to allay these fears.

Thank you for the opportunity to comment on this important proposal.

Sincerely,

/s/

Robert S. Lynch
Counsel and Assistant Secretary/Treasurer

RSL:psr
cc: Debby Emler
Leslie James
George Caan
IEDA Members