



City of Biggs
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August 3, 2016

Ms. Sonja Anderson
Vice President of Power Marketing
Sierra Nevada Region
Western Area Power Administration
114 Parkshore Drive
Folsom, CA 95630

Dear Ms. Anderson:

The City of Biggs is pleased to provide this letter in support of the 2025 Power Marketing Plan (Plan) comments of the Northern California Power Agency (NCPA) for Central Valley Project (CVP) power. The Plan was proposed in the Federal Register on May 6, 2016 at pages 27433-27439.

We presently purchase CVP base resource energy that is marketed by Western Area Power Administration (Western) from CVP hydroelectric generation resources. We appreciate Western's efforts to undertake the Plan in a timely manner to assist all of the CVP preference power customers in their long term resource planning considerations.

As NCPA noted in its comments to Western, we are very concerned that CVP power continues to be substantially above market prices.

While we support the extension for 30 years of our base resource allocation, we concur with NCPA's recommendation that Western include in the final Plan (and the implementing future contracts) termination provisions. These provisions would allow us to protect our electric ratepayers should CVP power remain above market prices indefinitely. Additionally, future contracts should include a cap on power customers' payments when CVP power, Restoration Fund payments, Twin Tunnel payment and all other fees in total exceed the annual average market price. NCPA's comments detail these specific recommendations and others to help ensure equitable rates and costs for CVP power compared to other power supply alternatives.

We value our partnership relationship with Western, and look forward to working with you on the many challenges that continue to face the electric utility industry. We appreciate Western's efforts to complete the Plan and the staff work that has been done in preparing the details of the Plan.

Sincerely,

Mark Sorensen
City Administrator
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