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May 23, 2007

Ms. Sonja A. Anderson, Acting Power Marketing Manager  
Sierra Nevada Region  
Western Area Power Administration  
114 Parkshore Drive  
Folsom, CA 95630-4710

**SUBJECT: Resource Adequacy Plan**

Dear Ms. Anderson:

The following are comments of the Calaveras Public Power Agency regarding Western's proposed Resource Adequacy Plan for transactions in the California Independent System Operator (CAISO) Balancing Authority Area.

We feel that CPPA's public agency members should not have to pay for resource adequacy in light of the fact that we are only using 55 percent of our share of the New Melones Entitlement. The remaining 45 percent of our entitlement will provide for our load growth well into the future.

Also, we are concerned that control of the generating units by the CAISO could possibly reduce the amount of energy generation at New Melones and, therefore, potentially impact our entitlement.

The New Melones entitlement was granted to public agencies within Calaveras and Tuolumne Counties to mitigate in part the adverse impacts the project has on the local counties. Every effort should be made by Western to preserve the intent of this entitlement and not burden us with additional costs.

Sincerely,

*Dennis Dickman*

Dennis Dickman  
General Manager