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May 25, 2007

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

The Modesto Irrigation District (Modesto) appreciates the opportunity to submit comments regarding the Western Area Power Administration (Western) Resource Adequacy (RA) Plan. Modesto hereby respectfully submits the following comments in response to Western's "Notice of Proposed Final Resource Adequacy Plan for transactions in the California Independent System Operator Corporation's Balancing Authority Area" dated April 25, 2007 (FR Doc. E7-7870).

Modesto serves approximately 108,000 electric customers within a 160 square mile area encompassing parts of San Joaquin and Stanislaus Counties. Modesto is directly connected to Western's 230 kV electric system at the Tracy Substation via the Interconnection Agreement established through the Westley-Tracy Transmission Project.

In accordance with Western's current RA Plan, Modesto believes that Western's current methodology of spreading the costs to implement the RA Plan to those customers that are situated in the CAISO Balancing Authority Area is consistent with sound cost causation principles. As such, Western's proposal to include LD Contracts that are backed up by reserves in the originating Balancing Authority Area should also be treated in this fair manner so that if there is a requirement for Western or any other Balancing Authority to provide reserves or firming services to satisfy the obligations to meet the RA requirements for those customers, that these costs not be spread to all of Western's customers.

Again thank you for the opportunity to provide comments in this process. If you should have any questions, please do not hesitate to contact me at (209) 526-7550, or David Olivares, Associate Engineer, at (209) 526-7595.

Sincerely,  
Modesto Irrigation District

Greg Salyer  
Manager, Electric Resource Planning and Development

CC: Roger VanHoy, Assistant General Manager, Electric Resources  
Ed O'Brien, Senior Contract Specialist  
David Olivares, Associate Engineer

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