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Subject: National Power Transformer Reserve, 80 Fed.Reg. 57349 (September 23, 2015)

Ladies and Gentlemen:

We are again writing on behalf of the Irrigation & Electrical Districts' Association of Arizona (IEDA) whose twenty-five Members and Associate Members, all customers of the Western Area Power Administration, serve electricity and water to domestic, industrial and agricultural customers comprising over half the population and two-thirds of the irrigated farmland in Arizona.

We very much appreciate the Department's decision to reopen the comment period on this important subject. Since the filing of our prior comments, we have been made aware of the incorporation of Grid Assurance LLC (Grid Assurance) by seven large utilities for the purpose of establishing a mechanism to acquire spare transformers and other spare equipment as part of a program to support grid resilience in the United States. Grid Assurance has requested (80 Fed.Reg. 34396, June 16, 2015) and received (August 7, 2015) a declaratory order from the Federal Energy Regulatory Commission (FERC) assuring Grid Assurance that spare equipment not in service need not be subject to proceedings under Section 203 of the Federal Power Act and a declaration that "contracting with Grid Assurance for access to spare critical transmission equipment is a permissible resiliency element of a physical security plan under Requirement 5 of Reliability Standard CIP-014-1." Order on Petition for Declaratory order, Grid Assurance LLC, Docket No. EL15-76-000 (August 7, 2015), p.6.

Grid Assurance presents an intriguing business model that it intends to develop. As such, we believe that this business model can play a very important role in any national power transformer or other key equipment reserve program. We believe it is in the best interests of the electric utility industry and the Department to support and work with Grid Assurance as it transitions from its initial organization into a working grid reliance program.

A properly designed regional grid-related program could easily include the power marketing administrations, the federal generating agencies, and cooperating utilities, even those in Canada and Mexico, for instance, that are part of the Western Grid. Chances are that the nature of reserve equipment might need to be tailored to different demands in different areas and regional equipment reserve programs would be the most effective way to provide grid reliability. We hope that the Department will enthusiastically support the effort that Grid Assurance has started and seek to make this utility-driven program a success.

Thank you for the additional opportunity to comment on this very important program.

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