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June 23, 2006

David Featherston
Director, Infrastructure Reliability Division
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78701

Re: PUC Project No. 32182, Investigation of Methods to Improve Electric and Telecom Infrastructure that will Minimize Long Term Outages and Restoration Costs.

Dear Mr. Featherston:

Please accept this letter as the TXU Steering Committee of Cities' ("Cities") comments on Staff's Draft Executive Summary and Recommendations filed June 9, 2006, in the above-styled project. Cities support modifications made to the recommendations that would implement the actions through rulemakings. Each of the recommendations affects customers and the public interest, yet no formal proceeding was established here to consider their concerns. No party disputes that the ratepayers of Texas will be funding the projects and procedures put in place to reinforce utility infrastructure. However, no notice was provided to customers or customer groups concerning the proposed recommendations or their potential costs. Further, there has been no consideration of other factors affecting the recommendations, for example, whether the benefits outweigh the costs and efforts required. For these reasons alone, a rulemaking is necessary before implementing these recommendations. Cities suggest that the draft report be amended to specifically indicate which recommendations will be pursued in formal rulemakings.

Thank you for your consideration of these comments.

Sincerely

Melissa E. Ramirez

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