

**RESOLUTION TO SUPPORT
THE EXPANSION AND AVAILABILITY OF
ELECTRIC TRANSMISSION FACILITIES TO SUPPORT
OPEN ACCESS AND WHOLESALE COMPETITION
BETWEEN ALL ELECTRIC UTILITY SUPPLIERS**

WHEREAS, the Public Works Commission of the City of Fayetteville, North Carolina (Fayetteville PWC) provides electric, water and sanitary sewer service to a population of nearly 250,000 residents, and

WHEREAS, Fayetteville, North Carolina is home to Fort Bragg and Pope Air Force Base, which are premier and essential military bases that support the well-being of the United States and the world, and

WHEREAS, Fayetteville PWC endeavors to provide high quality, reliable and cost effective utility services to all our customers, and

WHEREAS, competition between electric suppliers for the wholesale market has existed for several years, and

WHEREAS, availability of transmission services is imperative for competition and to ensure reliable service to all customers in North America, and

WHEREAS, availability of transmission service is becoming more restricted as growth continues, and

WHEREAS, existing electric transmission owners are not expanding their transmission system except to serve their own customers, and

WHEREAS, regional transmission organizations (RTO) have not provided a significant impact on transmission availability on the wholesale market, and

WHEREAS, economic growth and economic sustainability is greatly dependent on the availability of electricity, and

WHEREAS, the Federal Energy Regulatory Commission (FERC) and transmission owners are considering shifting the burden of expansion of the transmission system to those who have identified a need rather than integrating the cost into the average cost for all parties who would benefit by being interconnected to the electric grid in that area of the country, and

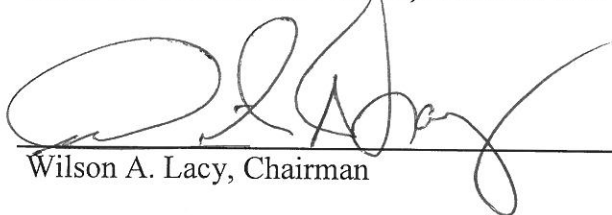
WHEREAS, over 2000 municipal electric systems exist in the United States where the majority serve communities of 10,000 population or fewer and have limited funds available to pay to construct transmission facilities to insure availability of reliable electric supply without the transmission owners exerting market power.


NOW, THEREFORE BE IT RESOLVED THAT, the Public Works Commission of the City of Fayetteville, North Carolina requests the members of Congress and the FERC to support the expansion of transmission facilities to insure the reliability of electric service in North America, and

BE IT FURTHER RESOLVED THAT, the cost of expanding transmission facilities should be borne by all those utilities that are interconnected into the transmission grid and who benefit by that interconnection.


ADOPTED this the 27th day of April, 2005.

**PUBLIC WORKS COMMISSION OF THE
CITY OF FAYETTEVILLE, NORTH CAROLINA**



Wilson A. Lacy, Chairman

Terri Union, Vice Chairman

Luis J. Olivera, Secretary

Michael G. Lallier, Treasurer

ATTEST:



Steven K. Blanchard, CEO/General Manager