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June 20, 2016

Re: Nogales Interconnection Project; 81 Fed. Reg. 97 (May 19, 2016) p. 31622; Docket No. PP-420.

The Fresh Produce Association of the Americas ("FPAA") hereby submits the following comments on the Application for a Presidential Permit filed by Nogales Transmission, L.L.C., in order to construct, operate, maintain, and connect an electric transmission line across the United States border with Mexico, known as the Nogales Interconnection Project ('Project").

Founded in Nogales, Arizona, in 1944, the FPAA has grown to become one of the most influential agricultural groups in the United States. Today, the FPAA serves the needs of more than 100 U.S. companies involved in growing, harvesting, marketing, importation and distribution of Mexican produce.

FPAA members in Santa Cruz County, Arizona, rely solely on the electric transmission service provided by Unisource Energy Services, Inc. ("Unisource"), who, in cooperation with Hunt Power, L.P. and others, proposes to construct and/or operate the Project that is the subject of the above-referenced Application.

The proposed transmission line will purportedly provide additional redundancy and emergency backup transmission capability to Santa Cruz County, which currently relies on a single 138 kV Vail to Valencia transmission line operated by Unisource out of Tucson. However, because the Project is primarily intended to serve as a conduit for wholesale power transactions between U.S. merchants and Mexican utilities, FPAA believes that the costs of the Project should be born entirely by those merchants and utilities who will be the direct beneficiaries of those transactions. Additionally, it is unclear how much emergency back up would be available to Nogales users if increased supplies are already contracted out to other parts

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of the newly formed grid connection outside of Nogales, Arizona.

Because this Project is intended primarily for wholesale energy exchanges between U.S. merchants and Mexican utilities, FPAA reiterates that revenues needed for the construction, operation, and maintenance of this new Project, and any associated support infrastructure, should not be rate-based or otherwise collected from Unisource's existing customers.

Thank you for the opportunity to comment.

Lance S. Jungmeyer President Fresh Produce Association of the Americas