



Charles Mix Electric Association, Inc.

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April 28, 2011

APR 02 2011

Mr. Robert J. Harris
Regional Manager
Upper Great Plains Region
Western Area Power Administration
2900 4th Ave North
Billings, MT 59101-1266

Dear Mr. Harris:

Charles Mix Electric Association, Inc. (Charles Mix) appreciates the opportunity to comment on the Western Area Power Administration's proposed 2021 Power Marketing Initiative ("PMI") for the Pick-Sloan Missouri Basin Program ("Pick-Sloan"), as published in the Federal Register (Vol 76, No 43, Friday, March 4, 2011, pp 12104-07).

Charles Mix is a rural electric cooperative in South Dakota which services over 2400 meters representing residential, commercial, irrigation and tribal members. Charles Mix members have demonstrated the value of Pick-Sloan hydropower and their commitment by stepping in with funding through Midwest Consumer Association, to assure the reliability of generation and transmission in the region.

Charles Mix commends and endorses Western's proposed 2021 PMI. The PMI encompasses the important issues attendant with new firm power contracts, providing customers with certainty, and Western with the tools needed to administer their marketing responsibilities.

Charles Mix supports the proposed contract term of 30 years, but urges adoption of a 40-year contract term. An additional ten years on the contract term would further buttress long-term certainty for its customers. Contract provisions providing for withdrawal of allocations due to changed hydrology/operations, completion of authorized Pick-Sloan irrigation projects, and adjustment of load factors—as well as provisions to provide Pick-Sloan hydropower to new eligible entities—gives Western the tools needed to address future conditions. It would also offer assurances that customers funding needed capital investments (not currently forthcoming from the federal government) would receive the benefits of that commitment.

Charles Mix also supports the PMI's proposal to maintain the current marketing area. Since Pick-Sloan hydropower is a finite and defined resource, expansion of the marketing area is impractical.



Furthermore, an expansion would take Pick-Sloan power directed by statute to customers within the river basin of this multi-purpose project.

The withdrawal provisions in the 2021 PMI fairly reflect the variety of forces that could impact Western's administration of Pick-Sloan and give Western the ability to respond to changed circumstances, be they due to hydrology, completion of authorized projects, or new legislative mandates.

Charles Mix looks forward to the completion of the 2021 PMI.

Sincerely,

CHARLES MIX ELECTRIC ASSOCIATION, INC.

A handwritten signature in cursive script that reads "Mark W. Mengenhauser".

Mark W. Mengenhauser

Manager

MWM:sjf