

Union County Electric Cooperative, Inc.

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August 14, 2003

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

Dear Mr. Harris:

On behalf of Union County Electric Cooperative, I wish to submit these comments in response to the Western Area Power Administration's anticipated rate increase for firm power customers in both the Eastern and Western Divisions of Pick-Sloan Missouri Basin Program.

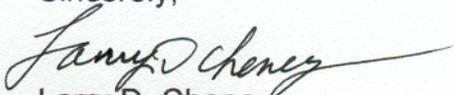
Union County Electric is a distribution cooperative located in southeastern corner of South Dakota and provides electric service to approximately fourteen hundred rural consumers throughout our service area. On behalf of these members, Union County Electric through its membership in East River Electric Power Cooperative which is located in Madison South Dakota does hold a significant contract with Western for firm power delivery as well as transmission (East River) service.

We request these comments be included as part of the record of the proceedings associated with this Notice and given consideration as part of Western's decision making process.

1. ***Union County Electric supports a two-step implementation of WAPA rate adjustment scheduled for year 2004. The two step adjustment would lessen the rate impact for members of this cooperative and allow WAPA sufficient revenues to meet its debt obligations.***

We appreciate the opportunity to offer these comments and request that WAPA give consideration towards the two-tiered rate as Western proceeds implementation of its 2004 rate adjustment.

Sincerely,


Larry D. Cheney
General Manager

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