



A Touchstone Energy* Cooperative 

NORTHWEST IOWA POWER COOPERATIVE

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April 28, 2011

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

Dear Mr. Harris:

Northwest Iowa Power Cooperative (NIPCO) appreciates the opportunity to comment on the Western Area Power Administration's (Western's) proposed 2021 Power Marketing Initiative (PMI) for the Pick-Sloan Missouri Basin Program (Pick-Sloan) as published in the Federal register (Volume 76, Number 43, Friday, March 4, 2011, pp. 12104-12107).

NIPCO was incorporated in 1949 as a regional power supplier for consumer-owned utilities in western Iowa to purchase hydropower generated at the federal multi-purpose projects in the Missouri Basin under the Pick-Sloan Program. NIPCO currently has 6 member rural electric cooperatives and 1 municipal electric cooperative comprised of 6 individual municipalities. These 7 members serve more than 30,000 retail consumers in western Iowa.

The Pick-Sloan hydropower marketed by Western is an important resource to the firm power customers in not only western Iowa but the entire Western marketing area. Western's Pick-Sloan customers have shown the value of and their commitment to Pick-Sloan hydropower by providing supplemental funding through Western States Power Corporation to assure the reliability of generation and transmission in the region.

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

NIPCO supports the proposed contract term of 30 years, but requests consideration for the adoption of a 40-year contract term. An additional 10 years on the contract term would further reinforce long-term certainty for its customers.

NIPCO agrees with and supports Western's structure and timing of new Resource Pools in the 2021 PMI. Administration of the proposed Resource Pool will ensure fairness

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among new entities seeking allocations. NIPCO 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 impracticable. An expansion of this current marketing area would redistribute Pick-Sloan power that has been statutorily directed 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 changing circumstances, including hydrology, completion of authorized projects, or new legislative mandates.

The 2021 PMI also has provisions to deal with availability of future resources. NIPCO supports Western's procedures for disposition of newly available resources under the provisions of the Energy Planning and Management Program.

NIPCO looks forward to the completion of the 2021 PMI.

Sincerely,

NORTHWEST IOWA POWER COOPERATIVE

A handwritten signature in black ink, appearing to read "Kent D. Pauling". The signature is fluid and cursive, with a large initial "K" and "P".

Kent D. Pauling
Executive Vice President and
General Manager