



Southeastern Electric Cooperative, Inc.

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April 29, 2011

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

Dear Mr. Harris,

Southeastern Electric Cooperative, Inc., (Southeastern) 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).

Southeastern is an electric cooperative that serves nearly 15,000 members throughout a six (6) county service area from the Iowa border and around the Sioux Falls, SD growth area (Harrisburg, Lennox & Tea, SD) on the eastern side of our service area to 100 miles west in a strictly rural service area. We were founded in 2000 through a consolidation of Lincoln Union and Turner Hutchinson Electric Cooperatives that have their origins back to as early as 1937 in southeastern South Dakota. Our power supply system consists of East River Electric Power Cooperative, Inc., out of Madison, SD who blends our Western Area Power Administration hydropower and our coal, natural gas, wind, nuclear and waste heat generation resources of Basin Electric Power Cooperative, Inc. out of Bismarck, North Dakota.

The Pick-Sloan Missouri Basin Program hydropower marketed by the Western Area Power Administration ("Western") is an important and vital resource to Southeastern and our 15,000 members. Western's Pick-Sloan customers have demonstrated the value of Pick-Sloan hydropower and their commitment by stepping in with funding to assure the reliability of generation and transmission in the region. Southeastern 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.

Southeastern and our members support 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 enhance the long term certainty for our members and extend the long standing tradition of working together for all members of this region. Contract provisions providing for withdrawal of allocations due to changed hydrology/operations, completion of authorized Pick-Sloan irrigation projects, adjustment of load factors as well as provisions to provide Pick-Sloan hydropower to new eligible entities gives Western the tools needed to address a host of future conditions. This additional ten (10) year extension would also offer assurances that customers funding needed capital investment (not currently forthcoming from the federal government) would receive the benefits of that commitment.

Southeastern agrees and supports Western's structure and timing of new Resource Pools in the 2021 PMI. Administration of the proposed Resource Pool will ensure fairness among new entities seeking allocations. We also support 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. Furthermore, an expansion would take Pick-Sloan power statutorily directed to customers within the river basin of this multi-purpose project. The 2021 PMI also has provisions to deal with availability of future resources in which we support Western's procedures for disposition of newly available resources under the provisions of the Energy Planning and Management Program.

Southeastern looks forward to the completion of the 2021 PMI and we are willing to work with Western to ensure the strength and viability of this valuable resource for the citizens of the region well into the future.

Sincerely,



Bradley J. Schardin
General Manager