

BOARD OF TRUSTEES

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MAY 02 2011

April 29, 2011

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

Dear Mr. Harris:

Our representative from Ansley attended the regional meeting in Lincoln in November, 2010 for the "2021 Power Marketing Initiative" and the April 13, 2011 public comment forum also held in Lincoln. We directed a letter to Jody Sundsted dated January 3, 2011 stating our support of Western's direction in proposing the 30-year contract term with the 10-year resource pool considerations. We have also indicated our support of the removal of language "other appropriate purposes" for the eligibility of new allocations because of the ambiguity of the language. We remain firm on these positions.

We would, however, again like to address the issue of allocations, and ask Western to reconsider increasing Ansley's allocation to match that being granted (100 Kw minimum) to new preference-eligible customers. We raised this question at the November meeting in Lincoln. A follow-up phone conversation with John Pankratz and Doug Hellekson from the Billings office and Greg Vaselaar from the Huron office was held on February 24, 2011. Our stance then, and now, is Ansley requested reinstatement of 276 kilowatts of additional firm power in 1973. This power had been originally scheduled by Western for Ansley. In a September 5, 1973 letter from Western we were advised "All of the long-term firm and additional firm power available to the Bureau is committed or under contract". This was Western's position in the mid-1970s. Please see the attached copy of the letter.

When new criteria was developed post 1985 it does not seem long-time customers, such as Ansley, were given the opportunity to have their allocation set at the new criteria level. However, we are subject to forfeiting a percentage of our allocation so new preference-eligible customers end up with an allocation larger than we are currently receiving. We realize standards have to be set and rules followed. However, we also realize that exceptions are made, as evidenced by Western finding ways to create allocations for new customers.

We are requesting Western deem Ansley as a preference-eligible customer and increase our allocation to at least the 100Kw minimum. If you have any questions or would like further information please do not hesitate to contact our office at the above address and phone number or by email at: villageofansley@nctc.net.



We appreciate the commitment demonstrated by Western in serving its customers and we anticipate a continued positive working relationship with Western and its staff. We look forward to your response and thank you for your time and consideration.

Yours truly,

VILLAGE OF ANSLEY

By

A handwritten signature in cursive script, appearing to read "Michael J. Ferguson".

Michael J. Ferguson, Superintendent

mjf/lcd

Enclosures

cc Greg Vaselaar, Field Rep

630.-

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SEP 5 1973

Mr. Raymond O. Farris
Municipal Engineers, Inc.
3006 South 87th Street
Omaha, Nebraska 68124

Dear Mr. Farris:

This is in response to your inquiry of August 24 regarding the possibility of reinstating the 276 kilowatts of additional firm power offered to Ansley, Nebraska.

All of the long-term firm and additional firm power available to the Bureau is committed or under contract. We do not anticipate there will be any firm or additional firm power available to Ansley by the Bureau at any time in the future.

We regret that we cannot give you a more encouraging reply.

Sincerely yours,

Preston L. Funkhouser, Jr.
Project Manager

Blind to: Regional Director, 600, Billings

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(with copy of incoming letter of August (28) to ea.)

RESievert:gmh

George H. Carey
By _____ acting