



MAY 02 2011

April 27, 2011

Mr. Robert J. Harris,
 Regional Manager
 Upper Great Plains Region
 Western Area Power Administration
 2900 4th Avenue North
 Billings, MT 59101-1226

RE: Comments on the Pick-Sloan Missouri Basin Program-Eastern Division-2021 Power Marketing Initiative Proposal.

Dear Mr. Harris;

The City of St. James owns and operates an electric utility for the residents and businesses of the community. The base portion of our power supply is provided by Western while the supplemental portion is provided by Missouri River Energy Services, a joint-action agency located in Sioux Falls, SD. Western's firm power supply program is of significant importance to our community since it provides a reliable, economical and environmentally-friendly source of electricity.

St. James supports Western's 2021 PMI proposal as outlined by the Federal Register Notice. The community supports Western's proposed resource pool of up to one percent of the marketable resource under contract for eligible new preference entities, as they are currently defined by statute, every 10 years (Maximum of 3% over 30 year contract). Based upon Western's experience in the Energy Planning and Management Program (EPAMP), the number of applications and allocations for the resource pool has reduced over the years. Limiting the resource pool to up to one percent every ten years helps provide for better utilization of resources with existing preference customers while providing Western with a more stable revenue source to help recover the costs of the preference power program.

The community also understands that there may be times when additional power resources may be available for various reasons. The community asks that Western consider offering the power to the existing customers who contributed to the resource pool prior to making the offer to new customers or perhaps using these resources to support existing CRODS to existing preference customers.

The community is thankful for its working relationship with Western. This program has been the basis for providing affordable, cost-based electricity to the citizens in the community. We look forward to our continued discussions with Western on the 2021 PMI.

Sincerely,

A handwritten signature in cursive script that reads "Gary L. Sturm".

Gary Sturm
Mayor
City of St. James