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Light & Power Association*
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November 22, 2013

Administrator Mark Gabriel
Western Area Power Administration
12155 W Alameda Pkwy
Lakewood, CO 80228

Dear Mr. Gabriel:

This letter serves as our brief comment to the public and customer comment process in your consideration of whether or not to have WAPA join a regional transmission organization.

Minnesota Valley Cooperative Light and Power Association (Minnesota Valley) has been a direct preference power customer of the Western Area Power Administration (Western) since the initial offering of power and energy from the Pick-Sloan Project on the Missouri River Upper Basin. As preference customers of Western, we value our relationship and the long-term firm power contracts with western.

The access to hydro power within Western's Upper Great Plains Region for these many years has provided significant benefit to Minnesota Valley and the region. We would not want any agreement between Western and a Regional Transmission Organization (RTO) to jeopardize Western's firm power commitment to Minnesota Valley and its focus on its firm power customers. Due to the many uncertainties involved, Minnesota Valley would urge Western not to join an RTO at this time.

We understand that the predominant issue in joining an RTO such a SPP is better access to energy markets and the resulting schedule cuts due to Market to Non -Market congestion management. Our first preference would be to have Western continue to seek ways to stay independent by modifying their present energy marketing plan to allow for access to replacement power for its customers and marketability of energy especially in times of low and high hydro generation conditions respectively.

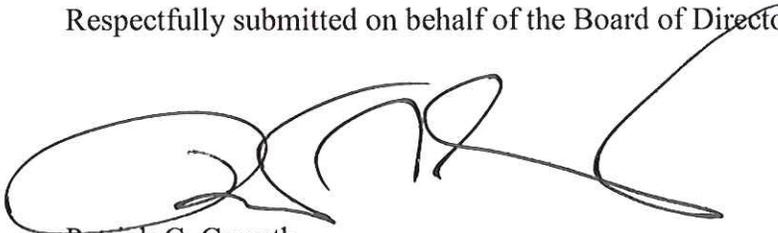
We feel that if Western places all or a part of its Federal facilities in an RTO, the Agreement between Western and the RTO would need to include the right to withdraw from the agreement. In addition, there would need to be specific language regarding performance standards for operations and use that ensure consistency with (1) cost recovery for facilities under the RTO, (2) third-party financing arrangements and (3) government statutes. The contract would also need to include the right of monitoring and oversight by Western. This will help assure the economic benefit of the hydro power in this region statutorily meant for residents of the Upper Missouri Basin stay within the Pick-Sloan project area.

We feel that any Agreement between Western and an RTO shall not construe FERC jurisdiction over Federal generation assets, capacity, energy, or power sales activity controlled presently by Western.

In summary, our preference would be to have Western continue to seek better ways to market its power and energy without having to join an RTO.

We appreciate your solicitation of our comments and the opportunity to respond. We look forward to working with you in the future for the continued benefit to the residents of the Upper Missouri Basin.

Respectfully submitted on behalf of the Board of Directors and the members they represent,

A handwritten signature in black ink, appearing to read 'Patrick C. Carruth', written over a horizontal line.

Patrick C. Carruth
General Manager
Minnesota Valley Cooperative
Light and Power Association

cc: Upper Great Plains Region
Western Area Power Administration
2900 4th Avenue North
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