

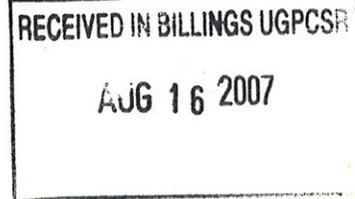


EAST RIVER

ELECTRIC POWER COOPERATIVE

121 Southeast First St.
Madison, SD 57042

P.O. Box 227
Telephone (605) 256-4536



August 13, 2007

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

Dear Mr. ^{Bob}Harris:

Please accept this letter from East River Electric Power Cooperative, Inc., as a formal comment in response to the May 30, 2007 Federal Register Notice regarding the post-2010 Resource Pool Pick-Sloan Missouri Basin Program Eastern Division.

East River holds a long-term firm power supply contract for Federal power from the Western Area Power Administration. This contract is an essential part of the bulk power supply requirements needed for East River to serve its twenty-one member retail rural electric distribution systems. These twenty rural electric cooperatives and one municipal electric system serve rural areas in virtually all of eastern South Dakota and a portion of western Minnesota, supplying electricity to approximately 85,000 residential, commercial and industrial accounts. We ask these comments be included as part of the formal record of the proceedings of this potential reallocation of Federal power supply.

East River wishes to offer the following comments with respect to the Resource Pool:

1. Western should implement the next Resource Pool by applying the same policies and procedures which were developed for and applied to prior Resource Pool allocations in the region.
2. In implementing the new Resource Pool, Western should give priority to allocations to preference customer utilities in amounts sufficient to be meaningful to new qualifying firm power customers. We believe that providing small allocations will not provide sufficient benefits to new customers and will only work a hardship on existing firm power customers whose allocations have already been reduced by Resource Pool withdrawals.
3. In making allocations from the Resource Pool, we urge Western to act within existing laws and regulations. In no event, should Western use 'appropriate

purposes' to expand existing laws and policy on eligibility requirements for receiving firm power allocations of Federal power.

4. We believe the terms and conditions of contracts (including the General Power Contract provisions) for new customers which may qualify and receive contract rates of delivery as a result of this Resource Pool process should be identical to the terms and conditions of existing firm power customers. In addition, if withdrawals are made in the future, any reduction should apply to all firm power contract holders, including those which may receive allocations as part of this Resource Pool allocation.

We urge Western to maintain the equity between current customers and potential new customers by applying a common set of standards, requirements, laws, regulations and policies in a uniform manner. The importance of the Federal power supply to existing customers cannot be underestimated and should not be sacrificed to new purposes which do not meet the strict requirements which govern and apply to current customers.

We appreciate this opportunity to submit these comments as a part of the formal record of this proceeding.

Sincerely,



Jeffrey L. Nelson
General Manager

JLN/jc