

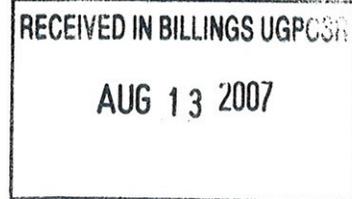


77100 US Highway 71, P.O. Box 69
Jackson, MN 56143-0069

Rural Electric

507-847-3520 or 507-728-8366 • FAX 507-728-8366
E-mail address: info@federatedrea.coop

August 9, 2007



Western Area Power Administration
Attn Mr. Robert J Harris
Regional Manager
Upper Great Plains Region
2900 4th Ave N
Billings MT 59101-1266

RE: P-SMBP-ED Resource Pool

Dear Mr. Harris:

I respectfully submit the following comments on the proposed Resource Pools:

- Western should implement the next Resource Pool following the same policies and procedures of prior Resource Pools.
- In implementing the new Resource Pool, Western should focus on allocations to preference eligible utilities in amounts sufficient to be meaningful to new firm power customers. Providing small allocation will not provide sufficient benefit to new customers and will work a hardship on existing firm power customers whose allocations have been reduced by Resource Pool withdrawals.
- In making allocations from the Resource Pool, Western must act within existing laws and regulations. In no event should Western use "appropriate purposes" to attempt to expand existing laws and policy on eligibility requirements for receiving firm power allocations of federal power.
- Terms and conditions of contracts for new customers should be identical to terms and conditions of existing firm power customers. If withdrawals are made in the future, reductions should apply to all firm power contract holders.

Cooperatively,

A handwritten signature in black ink, appearing to read "Richard G. Burud".

Richard G. Burud
General Manager

RGB/mac

