



August 17, 2007

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EXECUTIVE DIRECTOR

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

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Dear Mr. Harris:

The Mid-West Electric Consumers Association ("Mid-West") appreciates the opportunity to comment on the Western Area Power Administration's ("Western" or "WAPA") proposal for establishing Resource Pools in Eastern Division Pick-Sloan (Post-2010) and the Loveland Area Projects (Post-2009) as set forth in Western's June 25, 2007 Federal Register notice.

Mid-West is the regional coalition of consumer-owned electric utilities (rural electric cooperatives, municipal electric systems, and public power districts) that purchase hydropower generated at federal multi-purpose projects in the Missouri River basin under the Pick-Sloan Missouri Basin Program. Founded in 1958, Mid-West's over three hundred members work together to represent the common interests of federal power customers in the Missouri River basin.

Mid-West offers the following comments on Western's proposed Resource Pool for both the Loveland Area Projects and Pick-Sloan Eastern Division:

- In implementing the next Resource Pools, Western should follow the same policies and procedures of prior Resource Pools;
- Western should focus on allocations to preference eligible electric utilities in amounts sufficient to be meaningful to the new firm power customers. Providing small allocations to new customers will not offer sufficient benefit to new customers and works a hardship on existing firm power customers whose allocations have been reduced by withdrawals to create the new Resource Pool.

- Western must act within existing laws and regulations in making new allocations. In no event should Western use “appropriate purposes” to attempt to legislate new policy regarding eligibility requirements for receiving firm power allocations of federal power under a regulatory proceeding.
- Western should require the identical terms and conditions in new customers’ contracts to those of existing firm power customers. If withdrawals are made in the future, reductions should be applied to all firm power contract holders.

Mid-West and its members appreciate the opportunity to comment on Western’s Resource Pool proposals.

Sincerely,



Thomas P. Graves
Executive Director