

Comments submitted to:

Joint Outreach Team
JOT@wapa.gov

Comments submitted by:

Richard Stevens, General Manager/CEO
Hill County Electric Cooperative, Inc.
PO Box 2330
Havre, Montana 59501-2330
406-394-7804
rstevens@itstriangle.net

I am writing to provide input to the Joint Outreach Team process of public meetings and listening sessions. In that regard please note that the Western Area Power Administration (WAPA) has been very effectively implementing transmission additions, upgrades and improvements both proactively and as needed to meet new challenges. WAPA has shown itself to be a proven leader in many areas of the industry.

The Federal government created one of the greatest success stories of our time, that being the Power Marketing Agencies (PMA). They have provided positive economic benefits to the PMA regions and in turn, the nation.

I encourage the report to the Secretary include the following:

- The Power Marketing Agency (PMA) hydropower program was initially started when not-for-profit utilities such as Hill County Electric Cooperative (HCE) entered into an agreement with the federal government to buy power at above market rates in exchange for a future guarantee of continued access to power and a promise of lower rates over the long term. That partnership continues to help provide power at a reasonable cost to the farmsteads and ranches in the HCE service area as well as to the Rocky Boy Indian reservation. It would be a travesty for HCE's members if their cost of power rose significantly due to programs that require a "one size fits all" approach. Please review the recommendations for regional differences and not penalize Montana preference customers for deficiencies that reside in other regions within the Western Area Power Administration (WAPA) network.
- The draft recommendations, if broadly interpreted, will increase costs for HCE consumers. Therefore the plan is inconsistent with the PMA's primary purpose which is to offer "the lowest possible rates consistent with sound business principles." The recommendations would significantly alter the PMAs' statutory purpose without authorization from Congress while adding costs unrelated to WAPA's core mission.
- The additional costs to WAPA as well as the added burden to its personnel to undertake any draft recommendations must be carefully considered. Cost estimates for each recommendation need to be developed and a determination made as to the budget impacts and if they compromise WAPA's ability to meet its core mission responsibilities.

Before proceeding a thorough legal review of the recommendations should be completed. If implementation of the recommendations requires legislative changes, WAPA should first consult with its customers as to the advisability of pursuing such legislation prior to approving a specific course of action.

Thank you for allowing me the opportunity to comment.

Richard Stevens