

**WESTERN MONTANA ELECTRIC
GENERATING & TRANSMISSION COOPERATIVE, INC.**

1001 SW Higgins, Panorama Park, Suite 206, Missoula, MT 59803-1340

May 12, 2011

BY ELECTRONIC MAIL

RE: Comments of WMG&T on 2010 Network Open Season Staff Recommendations

The members of Western Montana Electric Generating and Transmission Cooperative, Inc. (WMG&T) appreciate the opportunity to comment on Bonneville staff recommendation on the 2010 Network Open Season (NOS). The WMG&T members have a keen interest in the 2010 NOS because they are Bonneville customers affected by the transmission access and rate impacts resulting from the recommendations. They are also interested because one of the important decisions in the 2010 NOS process will affect resource development in Montana.

The WMG&T members support both Bonneville staff recommendations regarding the Northern Intertie and CUP-West. Regarding the CUP-West recommendation, we agree that delaying the decision on whether to roll-in the costs of the CUP-West project into network rates is appropriate until the additional studies are complete that provide accurate information on the additional capacity and the costs of the project. Until these studies are complete, there is insufficient information upon which to make that final roll-in determination.

We also believe that additional study is necessary on the use of Bonneville capital for transmission projects. We understand that Bonneville is planning to initiate a regional discussion on the sources and uses of Bonneville capital. Because the costs of the CUP-West project assume the use of Bonneville capital for financing, the decision on whether to roll-in the costs of CUP-West into network rates should also be delayed until this sources and uses of capital process is complete as the outcome may change the costs of the CUP-West project.

Finally, we agree with the staff discussion that the CUP-West project presents several unique elements that require close scrutiny before it should proceed. The questions of service for a single customer, concerns regarding deferral of service or failure to take service, and the lack of firm service to the Bonneville system are all legitimate questions that need to be addressed before a final decision can be made on CUP-West.

Thank you for the opportunity to comment.

Bill Drummond
Manager