

of up to 1 percent (approximately 20 megawatts) of the long-term marketable resource of the Pick-Sloan Missouri Basin Program, Eastern Division (P-SMBP-ED) that may become available January 1, 2006. Preference entities that wish to apply for an allocation of power from Western's Upper Great Plains Customer Service Region must submit formal applications as outlined below.

DATES: Entities interested in commenting on proposed procedures and/or applying for an allocation of Western power must submit written comments and/or applications to Western's Upper Great Plains Customer Service Regional Office at the address below. Western must receive written and/or electronic comments and/or applications by 4 p.m., MDT, on June 2, 2003. Entities are encouraged to use certified mail, e-mail, or fax for delivery of comments and/or applications. Western will accept comments and/or applications received via regular mail through the United States Postal Service if postmarked at least 3 days before June 2, 2003, and received no later than June 9, 2003. Western reserves the right to not consider any comments and/or applications that are not received by the prescribed dates and times. Western will hold public information forums (not to exceed 2 hours) and public comment forums (immediately following the information forums) on the proposed procedures and applications.

The public information and comment forum dates are:

1. April 8, 2003, 1 p.m. to 5 p.m., Billings, Montana.
2. April 9, 2003, 1 p.m. to 5 p.m., Moorhead, Minnesota.
3. April 10, 2003, 9 a.m. to 1 p.m., Sioux City, Iowa.

ADDRESSES: Send applications for an allocation of Western power and written comments regarding these proposed procedures to Robert J. Harris, Regional Manager, Upper Great Plains Customer Service Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266. Applications for an allocation of Western power and comments on the proposed procedures may also be faxed to (406) 247-7408 or e-mailed to Post2005UGP@wapa.gov. Applications are available upon request or may be accessed at <http://www.wapa.gov/ugp/contracts/post2005/APD.htm>. Applicants are encouraged to use the application form provided at the above Web site.

The public information and comment forum locations are:

1. Billings—Holiday Inn Billings Plaza Hotel and Convention Center, 5500 Midland Road, Billings, MT 59101

2. Moorhead—Courtyard by Marriott, Moorhead Area Conference Center, 1080 28th Avenue South, Moorhead, MN 56560

3. Sioux City—Hilton Sioux City, 707 Fourth Street, Sioux City, IA 51101-1701

FOR FURTHER INFORMATION CONTACT: Jon R. Horst, Public Utilities Specialist, Upper Great Plains Customer Service Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266, telephone (406) 247-7444, e-mail horst@wapa.gov.

All documents developed or retained by Western in developing this Post-2005 Resource Pool will be available for inspection and copying at the Upper Great Plains Customer Service Region in Billings, Montana. Public comments will be available for viewing at <http://www.wapa.gov/ugp/contracts/post2005/comments.htm> after the close of the comment period.

SUPPLEMENTARY INFORMATION: On October 20, 1995, Western published the Final Program Rule. The Final Rule became effective on November 20, 1995. Subpart C—Power Marketing Initiative of the Program, Final Rule, 10 CFR part 905, provides for project-specific resource pools and allocations of power from these pools to eligible new customers and/or for other appropriate purposes as determined by Western. The additional resource pool increments shall be established by pro rata withdrawals, on 2 years' notice, from then-existing customers. Specifically, 10 CFR section 905.32 (b) provides:

At two 5-year intervals after the effective date of the extension to existing customers, Western shall create a project-specific resource pool increment of up to 1 percent of the long-term marketable resource under contract at the time. The size of the additional resource pool increment shall be determined by Western based on consideration of the actual fair-share needs of eligible new customers and other appropriate purposes.

On April 22, 2002, Western published a Notice for Letters of Interest in the **Federal Register** (67 FR 19571) in which Western solicited and received Letters of Interest regarding a resource pool of up to 1 percent (approximately 20 megawatts) of the marketable resource that may become available January 1, 2006, for new customers and/or other appropriate purposes pursuant to the Program. Traditionally, Western has marketed allocations of firm power to be apportioned to eligible new preference entities in such a manner as to encourage the most widespread use thereof, in accordance with Federal Reclamation Law.

Letters of Interest

Western received 65 Letters of Interest regarding the up to 1 percent resource pool. The letters were evaluated and categorized into three main areas of interest. Sixteen letters were from entities interested in becoming a new customer. Eleven letters were from entities that expressed an interest in other appropriate purposes such as: increasing current customer allocations, adjusting past allocations, and supporting renewable resources. Thirty-eight of the letters were from entities that recommended Western forego implementation of the proposed resource pool. The 38 letters also recommended if Western proceeds with the proposed resource pool, the pool should not be made available for other appropriate purposes.

Response to Letters of Interest

Western has historically marketed power from resource pools to new preference customers through marketing plans and initiatives. Western recognizes the interest expressed from 16 potential new customers in an allocation from the P-SMBP-ED. Western encourages the new customer interest that lends support to Western's mission of allocating low-cost hydropower in such a way as to promote the most widespread use thereof.

Western received various Letters of Interest regarding the need for other appropriate purposes. Several letters were received from entities desiring adjustments or increases to their current allocations. Specifically, two letters were received in support of adjusting two separate Tribal allocations from the P-SMBP-ED Post-2000 Resource Pool (62 FR 11174) (Post-2000 Resource Pool). Also, several letters were received from municipal utilities in support of increasing their current allocations. Historically, Western has not changed or increased allocations within the P-SMBP-ED that were established in past marketing initiatives. Western recognizes that customer loads continue to grow and change and increases in individual allocations would be beneficial. However, if Western were to entertain requests for increases or adjustments to allocations, all customers would need to be afforded the opportunity to submit new applications. If this were to occur, it is likely Western would receive significant modification requests, which would be extremely difficult to substantiate and likely not be supportable with the power available from this resource pool. Any significant modifications could result in a new