East River ELECTRIC
A Touchstone Energy® Cooperative

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April 12, 2017

Ms. Gloria Bryant
Manager, Transmission Settlements
MISO
P.O. Box 4202
Carmel, IN 46082-4202

Re: Submittal of 2016 Attachment O and Supporting Workpapers to MISO

Dear Ms. Bryant:

This affirmation letter is submitted by East River Electric Power Cooperative ("East River") in support of Basin Electric Power Cooperative's ("Basin Electric") application for transmission credits pursuant to Section 30.9 of the MISO Tariff. Basin Electric has leased certain of East River's transmission facilities located in the Pricing Zone of Montana Dakota Utilities. The accompanying Attachment O along with any other supporting workpapers requested by MISO submitted for East River are based on the audited financial statements and underlying financial records for East River for the year ended December 31, 2016. The expenses, assets, liabilities and proprietary capital data provided by East River in the RUS Form 12, Attachment O, and supporting workpapers are consistent with the RUS Uniform System of Accounts which East River will continue to use so long as MISO requires the template.

Allocations of expenses made in East River's financial statements are based on historical cost allocation reviews conducted by the electric utility staff; a full description of these allocation methodologies is attached. These cost allocations have been audited by certified professional accountants and are an accurate representation of the financial condition of the electric utility. East River will notify MISO in writing, explaining the new allocation methodology, before changing the methodology used to allocate these expenses in future financial statements and in its Attachment O and supporting workpapers submittals to MISO. East River confirms that its audited financial statements and workpapers submitted with the Attachment O data will be publicly available for review and inspection.

East River is not a public utility under the Federal Power Act and Federal Energy Regulatory Commission (FERC) regulations. Therefore, it does not file a FERC Form 1

nor keep its books and records in accordance with the FERC's Uniform System of Accounts. However, East River has completed an RUS Form 12 consistent with historical allocations and record keeping and the RUS Uniform System of Accounts. East River confirms that these allocations and categorizations of rate base balances and expense detail are reasonable and consistent with the intent of MISO's Attachment O, Form 12 templates and the FERC Uniform System of Accounts.

Sincerely,

Barb Strom

Barb Strom
Controller