August 13, 2012

Commodity Futures Trading Commission
David A. Stawick, Secretary of the Commission
1155 21st Street NW
Washington, D.C. 20581

Dear Commissioners:

On behalf of the Garkane Energy Cooperatives Inc., I am writing to support the Cooperative Exemption that would allow certain financial cooperatives to qualify for exclusion from the potentially costly clearing and margin requirements of the Dodd-Frank Act.

The proposed Cooperative Exemption would effectively pass through the end-user exception available to co-ops like mine to financial cooperatives that serve the electric cooperative network, such as the nonprofit National Rural Utilities Cooperative Finance Corporation (CFC) of which we are a member-owner. We believe that this "pass-through" is appropriate due to the unique member-owner structure of cooperatives.

Garkane Energy serves 16,500 square miles in South Central Utah and Northern Arizona and 14,000 customers. As a member-owner of CFC, Garkane Energy relies on CFC to provide us with essential financial products that are critical to meeting the needs of our electric consumers. My cooperative has used CFC funds since 1996 to build infrastructure including transmission lines, substations, and distribution facilities.

In connection with making loans to us, CFC uses over-the-counter interest rate swaps to mitigate its business risks. This use of such financial tools is instrumental in helping CFC make loans to rural electric cooperatives at the lowest possible cost of funds. If new requirements are imposed on CFC, the increased costs will undoubtedly be borne by our consumers in the form of higher rates.

I believe it is appropriate for CFC, as a cooperative financial entity owned by electric cooperatives, to be exempt from clearing and margin requirements, just as individual co-ops like mine would be exempt if they executed these transactions on their own.

I appreciate your consideration of my views.

Respectfully,
Garkane Energy Cooperative Inc.

Carl R. Albrecht

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CEO