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**MOUNTAIN VIEW ELECTRIC ASSOCIATION, INC.**

P.O. Box 1600 • Limon, Colorado 80828-1600

August 16, 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 Mountain View Electric Association, Inc. (MVEA), I am writing to express our **support** of 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.


MVEA serves a membership of 45,000 in eastern Colorado near Colorado Springs with a density of 7.5 meters per mile. As a member-owner of CFC, MVEA relies on CFC to provide essential financial products that are critical to meeting the needs of our electric consumers. My cooperative has used CFC funds since 1970 to build and maintain electric lines in rural areas.

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 electric 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 cooperatives like mine would be exempt if they executed these transactions on their own.

Sincerely yours,

  
Jim C. Herron  
Chief Executive Officer

Your Touchstone Energy® Cooperative   
*The power of human connections*