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February 9, 2007

Lawrence H. Norton
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20006

PRE-MUR # 446

Re: Sua Sponte Submission

Dear Mr. Norton:

At the request of our clients, undersigned counsel are bringing a matter to the attention of the Federal Election Commission and suggest that the alternative dispute resolution process be utilized in this matter.

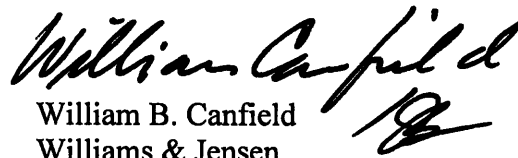
Enclosed please find a letter summarizing the relevant facts as well as executed statements of Designation of Counsel.

Sincerely,



Jan Witold Baran
Wiley Rein LLP
1776 K Street, NW
Washington, D.C. 20006

Counsel to ACRE



William B. Canfield
Williams & Jensen
1155 21st Street, NW, Suite 300
Washington, D.C. 20036

Counsel to BEPAC

Attachments: Letter Summarizing the Relevant Facts
Designations of Counsel

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
The National Rural Electric Cooperative)
Association, Action Committee for)
Rural Electrification, Basin Electric Power)
Cooperative, and Basin Electric Power)
Cooperative Political Action Committee)

SUA SPONTE SUBMISSION

At the request of our clients, undersigned counsel are bringing a matter to the attention of the Federal Election Commission and suggest that the alternative dispute resolution process be utilized in this matter.

The facts are as follows. The National Rural Electric Cooperative Association ("NRECA") is a membership organization consisting of rural electric power cooperatives. The Action Committee for Rural Electrification ("ACRE") is a multi-candidate political committee sponsored and maintained by NRECA. ACRE was registered with the Commission on April 14, 1972.

The Basin Electric Power Cooperative ("BEPC") is a wholesale power generation and transmission cooperative located in Bismarck, North Dakota and serves a nine state area. BEPC is a member of NRECA. The Basin Electric Power Cooperative Political Action Committee ("BEPAC") was formed in December, 1987, and is registered with the Commission. At the time of its registration with the Commission, BEPC officials who were responsible for the administration of BEPAC believed that BEPAC was unaffiliated with any other federal political committee. Subsequently, BEPC officials were given to understand that there was no "affiliation" between ACRE and the other political committees of NRECA member cooperatives and that the understanding held by BEPC officials had been confirmed to ACRE in the mid-1990s by an attorney then retained by ACRE. That this understanding held by BEPAC, as to lack of any "affiliation" with ACRE was incorrect, was unknown to BEPAC officials until 2000. In 1999, ACRE requested and received an Advisory Opinion (AO 1999-40) from the Commission which confirmed that the federal political committees sponsored by NRECA members were, in fact, "affiliated" with ACRE and thus shared a common contribution limit. Officials at BEPAC did not learn of Advisory Opinion 1999-40 until a number of years later.

Unaware of this Advisory Opinion, which was issued on March 20, 2000, BEPAC made contributions to federal candidates during the 1999-2000 cycle, and in subsequent election cycles, that now appear to have been in excess of the contribution limit that BEPAC shared with ACRE. In May, 2006, BEPAC officials first became aware that certain contributions may have been excessive, and they immediately brought this matter to the attention of outside counsel. At the request of counsel, BEPAC initiated an internal review of all contributions made by BEPAC from 1999 until May, 2006,

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correlating BEPAC contributions during this period with ACRE contributions made during the same period.

The internal review initiated by BEPAC in May, 2006, has determined the following:

2000 Cycle:

- Primary Election - \$1000 excessive contribution made by BEPAC to Friends of Craig Thomas;

2002 Cycle:

- Primary Election - \$500 excessive contribution made by BEPAC to Tim Johnson for SD, Inc.;
- Primary Election - \$500 excessive contribution made by ACRE to Citizens for Harkin;
- Primary Election - \$2500 excessive contribution made by BEPAC to Wayne Allard for U.S. Senate;
- Primary Election - \$1000 excessive contribution made by ACRE and a \$1000 excessive contribution made by BEPAC to Earl Pomeroy for Congress;
- General Election - \$5190 excessive contribution made by BEPAC to Tim Johnson for SD, Inc.;
- General Election - \$250 excessive contribution made by BEPAC and a \$1750 excessive contribution made by ACRE to Friends of Max Baucus;
- General Election - \$1000 excessive contribution made by BEPAC to Earl Pomeroy for Congress;
- General Election - \$1000 excessive contribution made by BEPAC to Cubin for Congress;

2004 Cycle:

- Primary Election - \$2500 excessive contribution made by BEPAC and a \$1500 excessive contribution made by ACRE to Friends of Byron Dorgan;
- Primary Election - \$1000 excessive contribution made by BEPAC and a \$1000 excessive contribution made by ACRE to Earl Pomeroy for Congress;
- Special Election - \$500 excessive contribution made by BEPAC to Herseth for Congress;

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- Primary Election - \$1000 excessive contribution made by BEPAC to the Grassley Committee, Inc.;
- General Election - \$1500 excessive contribution made by BEPAC and a \$1000 excessive contribution made by ACRE to Friends of Byron Dorgan;
- General Election - \$1000 excessive contribution made by BEPAC to the Grassley Committee, Inc.;
- General Election - \$1000 excessive contribution made by ACRE to Cubin for Congress;
- General Election - \$1000 excessive contribution made by BEPAC to Herseth for Congress;
- Election - \$6000 excessive contribution made by BEPAC to the New Leadership for America PAC;

2006 Cycle:

- Primary Election - \$1000 excessive contribution made by ACRE and a \$2000 excessive contribution made by BEPAC to Friends of Kent Conrad;
- Primary Election - \$950 excessive contribution made by BEPAC to Earl Pomeroy for Congress;
- Primary Election - \$1000 excessive contribution made by BEPAC to Cubin for Congress;
- General Election - \$250 excessive contribution made by ACRE and a \$1750 excessive contribution made by BEPAC to Friends of Kent Conrad.

During the internal review conducted by BEPAC, the issue of whether or not a particular contribution made either by BEPAC or by ACRE was excessive to their combined contribution limit was determined by the date of the particular contribution. If combined contributions were determined to be excessive, the contribution or contributions made latest in time were deemed to be the contributions that exceeded the combined BEPAC and ACRE limit. Attached for your review, is a spread-sheet compiled by BEPAC during the course of its internal review. The excessive contribution data set forth above was taken from and is reflected in the attached spread-sheet.

Upon completion of the internal review conducted by BEPAC, the data represented in the spread-sheet and the conclusions drawn as to which of the contributions were excessive were reviewed by counsel. BEPAC, acting on behalf of itself and ACRE, thereafter wrote to each of the affected federal committees and requested a refund of such excessive contributions. ACRE and BEPAC have now

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received refunds from all of the affected committees. The refunds received by ACRE total \$8000 and the refunds received by BEPAC total \$33,140.

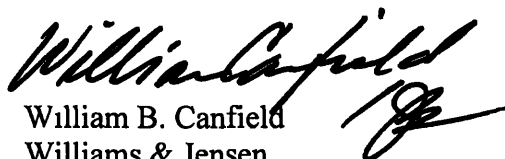
Having determined that an excessive contribution issue might be present, BEPAC and ACRE acted immediately to consult with counsel, conduct a thorough review of the federal contributions made between 2000 and 2006, determined which were excessive, requested refunds from the affected committees and received back each of the refunds as requested. Given that this matter arose from a misimpression of the Commission's guidance respecting "affiliation" between committees and that it was discovered and promptly remedied by ACRE and BEPAC, we believe that the Commission's office of Alternative Dispute Resolution would be best suited to resolve this matter.

Sincerely,



Jan Witold Baran
Wiley Rein LLP
1776 K Street, NW
Washington, D.C. 20006

Counsel to ACRE



William B. Canfield
Williams & Jensen
1155 21st Street, NW, Suite 300
Washington, D.C. 20036

Counsel to BEPAC

Date: February 9, 2007

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SENATE

Craig Thomas

2000 cycle (primary)

6-2-99 \$5,000 ACRE
11-3-99 \$1,000 BEPAC
3-28-01 \$1,000 VOID BEPAC
10-24-02 \$1,000 BEPAC

2000 cycle (general)

4-21-00 \$1,000 ACRE
1-13-00 \$1,000 ACRE
9-8-00 \$3,000 ACRE

2006 cycle (primary)

4-13-05 \$1,000 ACRE
6-29-05 \$ 89 ACRE
6-29-05 \$3,910 ACRE

2006 cycle (general)

8-29-05 \$1,000 ACRE
9-7-05 \$1,000 ACRE
2-1-06 \$1,000 ACRE

Total: \$1000 BEPAC

Requested refund June 23, 2006

Received: July 6, 2006

Kent Conrad

2006 cycle (primary)

3-8-04 \$1,000 BEPAC
12-6-04 \$5,000 ACRE (\$1,000)
12-21-04 \$2,000 BEPAC

2006 cycle (general)

3-1-05 \$ 250 BEPAC
3-9-05 \$5,000 ACRE (\$250)
5-31-05 \$1,750 BEPAC (\$1,750)

TOTAL: \$5,000 - ACRE \$1,250; BEPAC \$3,750

Requested refund June 23, 2006

Received: July 6, 2006

Tim Johnson

2002 cycle (primary)

11-2000 \$1,000 ACRE
1-17-01 \$4,000 ACRE
4-26-01 \$ 500 BEPAC

2002 cycle (general)

3-2-01 \$ 345 ACRE
7-18-01 \$ 345 ACRE
7-19-01 \$ 654 ACRE
11-19-01 \$ 654 VOID ACRE
11-26-03 \$ 308 VOID ACRE
5-16-02 \$4,308 ACRE
6-28-02 \$5,000 BEPAC \$4690

TOTAL: \$5190 - BEPAC

Requested refund June 23, 2006

Received: August 16, 2006

Tom Harkin

2002 cycle (primary)

11-2000 \$1,000 ACRE
3-9-01 \$1,000 ACRE
4-26-01 \$ 500 BEPAC
8-3-01 \$3,000 ACRE (\$500)

2002 cycle (general)

11-12-01 \$1,000 ACRE

12-05-01 \$1,000 ACRE
2-20-02 \$1,000 VOID ACRE
3-06-02 \$1,000 ACRE
7-5-02 \$1,528 ACRE

TOTAL: \$500 ACRE

Requested June 23, 2006

Received: August - by ACRE

Wayne Allard

2002 cycle (primary)

2-22-01 \$1,000 ACRE
7-25-01 \$4,000 ACRE
8-21-01 \$2,500 BEPAC

2002 cycle (general)

10-4-01 \$1,000 ACRE
2-25-02 \$1,095 VOID ACRE
3-6-02 \$1,000 ACRE
5-16-02 \$1,000 ACRE
8-9-02 \$2,000 ACRE

TOTAL: \$2,500 BEPAC

Requested refund June 23, 2006

Received: September 8, 2006

Max Baucus

2002 cycle (primary)

3-2-01 \$1,000 ACRE
3-9-01 \$1,000 ACRE (voided 7-3-01)
6-4-01 \$1,000 ACRE
6-13-01 \$1,000 ACRE
7-3-01 \$1,000 ACRE (void)
7-6-01 \$1,000 ACRE
7-19-01 \$1,000 ACRE

2002 cycle (general)

10-01-01 \$1,000 ACRE
4-15-02 \$1,000 ACRE
6-27-02 \$1,000 ACRE
7-16-02 \$1,000 BEPAC
8-23-02 \$ 250 ACRE
10-8-02 \$1,000 BEPAC \$250
10-11-02 \$ 322 ACRE
10-17-02 \$1,428 ACRE

TOTAL: \$2,000 - ACRE \$1,750; BEPAC \$250

Requested refund June 23, 2006

Received: July 6, 2006

Byron Dorgan

2004 cycle (primary)

2-25-03 \$1,000 ACRE
7-22-03 \$1,000 ACRE
8-19-03 \$1,500 BEPAC
9-29-03 \$1,000 ACRE
12-26-03 \$2,000 ACRE \$1,500
2-19-04 \$2,500 BEPAC

2004 cycle (general)

2-11-04 \$4,000 ACRE
2-19-04 \$1,500 BEPAC \$500
5-6-04 \$1,000 ACRE
10-15-04 \$1,000 BEPAC
TOTAL: \$6,500 - ACRE \$2,500; BEPAC \$4,000

Requested refund June 23, 2006

Received: August 16, 2006

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Tom Daschle**2004 cycle (primary)**

3-24-03 \$5,000 ACRE
 11-14-03 \$1,000 BEPAC

2004 cycle (general)

6-24-04 \$1,000 ACRE
 8-20-04 \$4,000 ACRE
 10-15-04 \$5,000 BEPAC

TOTAL: \$6,000 BEPAC**Requested refund June 23, 2006****Received: September 8, 2006****Charles Grassley****2004 cycle (primary)**

2-25-03 \$4,000 ACRE
 10-9-03 \$1,000 ACRE
 2-13-04 \$1,000 BEPAC

2004 cycle (general)

3-12-04 \$ 806 ACRE
 3-12-04 \$4,193 ACRE
 10-13-04 \$1,000 BEPAC

TOTAL: \$2,000 BEPAC**Requested refund June 23, 2006****Received: August 16, 2006****HOUSE****Earl Pomeroy****2002 cycle (primary)**

4-26-01 \$1,500 BEPAC
 6-13-01 \$1,000 ACRE
 8-23-01 \$ 500 VOID BEPAC
 10-4-01 \$1,000 ACRE
 3-19-02 \$3,000 ACRE \$1,000
 5-2-02 \$1,000 BEPAC

2002 cycle (general)

6-25-02 \$5,000 ACRE
 10-11-02 \$1,000 BEPAC

2004 cycle (primary)

2-10-03 \$1,000 ACRE
 3-28-03 \$4,000 ACRE
 5-1-03 \$1,000 BEPAC
 4-30-04 \$1,000 BEPAC

2004 cycle (general)

3-28-03 \$148.90 ACRE
 9-22-03 \$3,851 ACRE
 3-26-04 \$1,000 ACRE

2006 cycle (primary)

3-17-05 \$5,000 ACRE
 5-10-05 \$ 500 BEPAC
 12-12-05 \$ 450 BEPAC

2006 cycle (general)

9-16-05 \$2,000 ACRE
 12-20-05 \$ 294 ACRE
 12-20-05 \$2,705 ACRE

TOTAL: \$5950 - BEPAC \$4,950; ACRE \$1,000**Requested refund June 23, 2006****Received: September 8, 2006****Barbara Cubin****2002 cycle (primary)**

6-13-01 \$1,000 ACRE
 10-30-01 \$1,000 ACRE
 12-28-01 \$1,000 Statewide/ACRE
 3-6-02 \$1,000 ACRE
 5-16-02 \$1,000 ACRE

2002 cycle (general)

7-24-02 \$1,000 ACRE
 7-24-02 \$2,000 ACRE
 10-3-02 \$ 60 ACRE
 10-3-02 \$1,940 ACRE
 10-11-02 \$1,000 BEPAC

2004 cycle (primary)

5-15-03 \$1,000 ACRE
 10-31-03 \$2,000 ACRE
 3-19-04 \$1,000 ACRE
 5-19-04 \$1,000 ACRE

2004 cycle (general)

5-19-04 \$1,000 ACRE
 6-30-04 \$2,000 ACRE
 6-30-04 \$1,000 Statewide/ACRE
 9-14-04 \$1,000 BEPAC
 9-23-04 \$1,000 ACRE
 9-23-04 \$1,000 VOID ACRE
 9-24-04 \$1,000 ACRE

2006 cycle (primary)

2-24-05 \$2,000 ACRE
 6-21-05 \$1,000 ACRE
 7-21-05 \$2,000 ACRE
 3-15-06 \$1,000 BEPAC

2006 (general)

11-29-05 \$2,000 ACRE

TOTAL: \$3,000 - BEPAC \$2,000; ACRE \$1,000**Requested refund June 23, 2006****Received: July 28, 2006****Stephanie Herseth****Special election (primary)**

3-19-04 \$ 141 ACRE
 3-19-04 \$4,858 ACRE
 4-21-04 \$ 500 BEPAC

(general)

8-23-04 \$1,000 ACRE
 8-30-04 \$4,000 ACRE
 10-13-04 \$1,000 BEPAC

2006 (primary)

5-6-05 \$1,000 ACRE
 5-6-05 \$1,000 ACRE VOID
 5-23-05 \$2,500 ACRE
 9-26-05 \$1,000 ACRE
 11-17-05 \$1,500 ACRE

TOTAL: \$1,500 BEPAC**Requested refund June 23, 2006****Received: July 28, 2006****TOTAL REQUESTED BY BEPAC: \$33,140****TOTAL REQUESTED FOR ACRE: \$8,000**

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