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Jan Witold Baran
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September 23, 2010

Christopher Hughey
Acting General Counsel
Federal Election Commission
999 E. Street, NW
Washington, D.C. 20463

PRE-MUR # 508

Re: Sua Sponte Submission

Dear Mr. Hughey:

At the request of our client, the Great River Energy Action Team (GREAT), I am 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 an executed statement of Designation of Counsel.

Sincerely,

Jan Witold Baran

Cc: Eric Olsen
Vice President and General Counsel, Great River Energy

Attachments: Letter Summarizing the Relevant Facts
Designation of Counsel

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OFFICE OF GENERAL
COUNSEL

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
The Great River Energy Action Team)

SUA SPONTE SUBMISSION

At the request of our client, the undersigned counsel is 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. Great River Energy is a not-for-profit electric generation and transmission cooperative in Minnesota owned by its 28 member distribution cooperatives. Great River Energy generates and transmits electricity for such members, which are located in the Minneapolis-St. Paul suburbs and in a band of predominantly rural communities extending diagonally across the state. Additional information about Great River Energy is located on its website, available at <http://www.greatriverenergy.com/>.

The Great River Energy Action Team ("GREAT"), Great River Energy's Federal PAC, is registered with the Commission and was formed on December 1, 1999. At the time of its registration, Great River Energy officials responsible for the PAC's administration believed that GREAT was unaffiliated with any other federal political committee. Accordingly, GREAT made contributions to federal candidates during several election cycles without cross-checking its contributions with those of any other committee.

Subsequent to the PAC's formation, Great River Energy officials learned that GREAT was affiliated with the Action Committee for Rural Electrification ("ACRE"), the multi-candidate political committee sponsored and maintained by the National Rural Electric Cooperative Association ("NRECA"). According to GREAT officials, they first became aware of potential affiliation during a conversation with the General Manager of the Minnesota Rural Electric Association in late 2008. GREAT officials explained that, prior to such conversation, GREAT had not received ACRE's packet of materials explaining the affiliation issue from either the state association or ACRE and that, as a result, GREAT had no knowledge of the need to cross-check its contributions with any other entity.

Remedial Steps Taken. Once GREAT personnel learned of the affiliation issue, they initiated a thorough review of all contributions made during the 2005-2006 and 2007-2008 election cycles at the request of outside counsel, correlating any GREAT contributions with ACRE contributions made during the same period. After a careful analysis, the following contributions made by GREAT within the past five years were determined to be in excess of the combined contribution limit for affiliated entities:

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2006 Cycle

- Chambliss for Senate (\$1,000 on January 23, 2006);
- Earl Pomeroy for Congress (\$500 on May 9, 2006); and
- Friends of Kent Conrad (\$1,000 on August 16, 2006).

2008 Cycle

- Friends of Jim Oberstar (\$1,000 on February 20, 2007);
- Earl Pomeroy for Congress (\$500 on April 30, 2008); and
- Tim Walz for U.S. Congress (\$500 on September 29, 2008).

Total Excessive Contributions Made During the Past 5 Years = \$4,500

Upon completion of the internal review, GREAT contacted each of the affected recipient committees and, subject to the one exception described below, obtained refunds from each of these committees prior to the end of the 2009 calendar year. GREAT reported these refunds on its 2009 year-end report, filed on January 30, 2010.

While GREAT was able to obtain refunds from the vast majority of campaign committees without issue, the PAC encountered particular difficulty in obtaining a refund from the Friends of Jim Oberstar committee (the "Oberstar campaign"). When GREAT made a \$1,000 contribution to the Oberstar campaign in February of 2007, the campaign reported the amount received as an individual contribution from Bob Ambrose, Great River Energy's Director of Governmental Affairs, rather than from GREAT. The Oberstar campaign was thus unwilling to issue a refund check to GREAT (despite repeated requests from GREAT personnel to do so), but instead issued a refund to Mr. Ambrose in his personal capacity. Rather than allow the excessive contribution to remain on the record, Mr. Ambrose deposited the refund check into his personal account and then immediately contributed the same amount back to GREAT.¹ This contribution is reflected in GREAT's 2009 Year-End report. See Attachment B.

¹ The Oberstar campaign's FEC reports indicate that a \$2,000 refund was issued on December 28, 2009, and GREAT's reports reflect that the refund was promptly deposited by Mr. Ambrose into the PAC's bank account by the end of the month. See Attachments A and B. The \$2,000 amount reflects refunds of two separate \$1,000 contributions, the first made on May 10, 2004.

In addition to incorrectly reporting the original contribution, the Oberstar campaign also appears to have incorrectly reported the refund as an "Other Disbursement" on Line 21 of its 2009 Year-End report rather than as a "Refund[] of Contributions to (a) Individuals/Persons Other than Political Committees [or] (c) Other political committees (such as PACs)" on Line 20. See Attachment A.

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Additional Steps Taken by GREAT to Prevent a Recurrence of This Problem. In addition to the remedial steps discussed above to correct the specific problems identified, GREAT has adopted a number of measures to ensure that these kinds of errors are not repeated in the future. GREAT has implemented the procedures that came out of the negotiated settlement between the Commission, ACRE, and Basin Electric Power Cooperative Political Action Committee in its July 2, 2007, settlement. This includes: (a) utilizing the ACRE website to examine contributions to candidates by ACRE and affiliated PACS; and (b) following a written policy issued annually by NRECA for approval of contributions by ACRE, GREAT, and other affiliated PACs.

GREAT was unable to attend this year's NRECA-sponsored training program, but its treasurer anticipates meeting separately with NRECA officials in the coming months to discuss the affiliation issue. In addition to this meeting, GREAT plans to send its treasurer to an FEC-sponsored training conference within the next 12 months. GREAT also has made several changes to its internal procedures, including adopting a requirement that all checks must bear the signature of at least two individuals at the committee.

* * *

Given that this matter arose from GREAT's lack of knowledge of the Commission's "affiliation" guidance and that it was discovered and remedied to the best of their ability by GREAT personnel, we believe that the Commission's office of Alternative Dispute Resolution would be best suited to resolve this matter.

Sincerely,



Jan Witold Baran
Andrew G. Woodson
WILEY REIN LLP
1776 K Street, NW
Washington, D.C. 20006

Counsel to Great River Energy Action Team

Date: September 23, 2010