ORIGINAL

Ford Motor Company

Vehicle Operations
Ford Motor Company

Plant Engineering Dept.
Twin Cities Assembly Plant
966 South Mississippi River Blvd.
Saint Paul, Minnesota 55116-1888

PROJECT NO. 382
NATDAM No. MN83001

September 07, 2007

Secretary Kimberly D. Bose
Federal Energy Regulatory Commission
888 First Street, N.E.
Routing Code PJ-12.2
Washington, D.C. 20426

Re: Document Nos. HB21-93-2 and HB94-03-2

Dear Secretary Bose:

On August 13th, 2007 Mr. William Guey-Lee of your staff provided us with a letter requesting additional information to complete the headwater benefits assessment calculations for our project on the Upper Mississippi River Basin. In a follow up call to Mr. Sarma of your staff, the additional information being the cost of obtaining an equivalent amount of electricity from the most likely alternative source during the period for which the charge is assessed. This would be in the form of $/MWh for each year which has been documented in attachment A.

We are concerned with the Commission's regulations at 18 C.F.R. 11.11 (b)(5) which states in part:

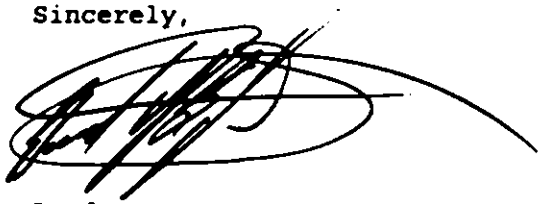
> No final charge assessed by the Commission under this subpart may exceed 85 percent of the value of the energy gains.

The cost of obtaining an equivalent amount of electricity from our local utility is significantly different than the compensation that we receive for sale of this same power to them. Being a self producer of power for our assembly operations, all excess power generated from our project is sold to our local utility. The amount of power we are able to supply to the utility fluctuates with our plant operational demand and available stream flowage. The variable nature of this arrangement has our power classified by the utility as non-capacity. This results in a significantly lower power compensation contract than a typical hydroelectric generator. For this reason, the true value of the energy gains are far less than the potential 85% calculated value of energy gains based on our local utility's commercial rates.

Due to the unique arrangement of our generating facility being primary an independent producer and consumer of electrical power for our assembly operations; we believe that the headwater benefits determination should take this into account. The actual annual charge for the head waters benefit should not be more than what we would receive from our local utility for excess power.

If you would like to discuss this matter further, please contact me directly at 651-696-0660 or through e-mail at BBystrom@Ford.com.

Sincerely,



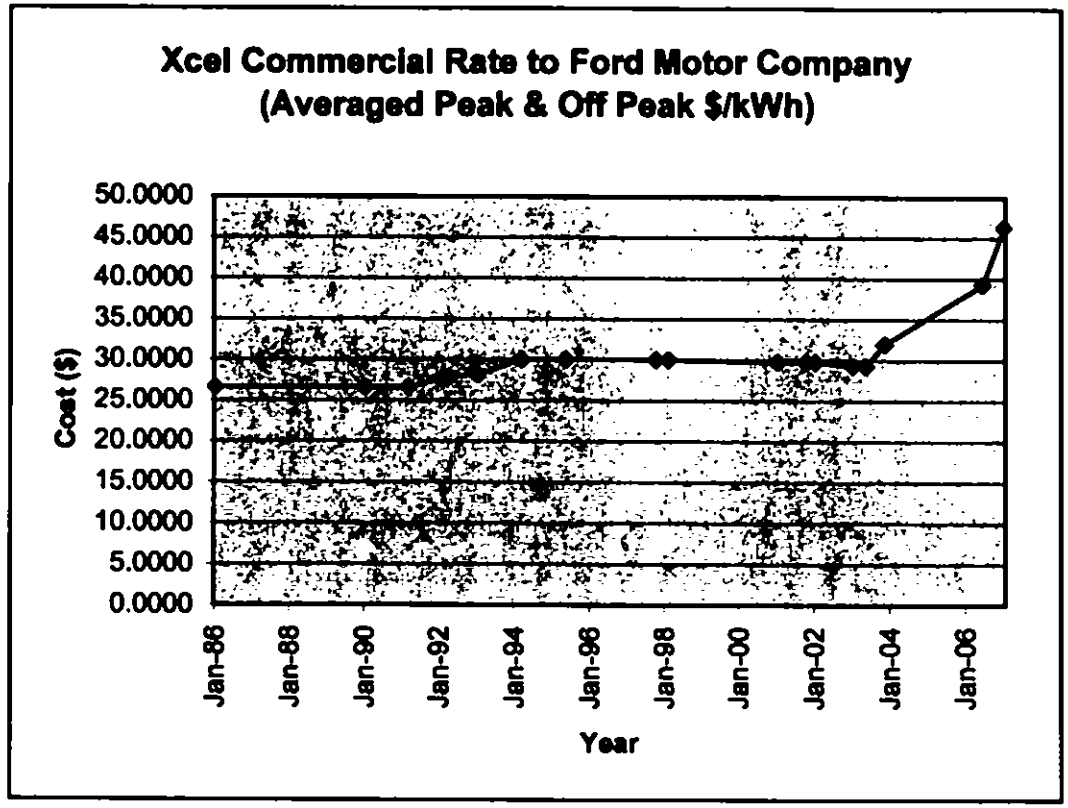
Brad Bystrom
Ford Motor Company
Twin Cities Assembly Plant
Plant Engineering Supervisor

Federal Energy Regulatory Commission
Upper Mississippi River Basin Headwaters Benefits Determinations
Docket Nos. HB21-93-2 HB94-03-2

Ford Motor Company Project 362

XCEL Power Company Rate Log

Year	Peak $/kWh	Off Peak $/kWh	Average Rate	$/MWh
1/1/2007	0.053710	0.042210	0.046317	46.3171
6/1/2006	0.045570	0.035813	0.039298	39.2976
11/1/2003	0.038700	0.028227	0.031967	31.9674
5/1/2003	0.035473	0.025873	0.029302	29.3016
1/1/2003	0.035486	0.025886	0.029315	29.3146
1/1/2002	0.035902	0.026302	0.029731	29.7306
10/1/2001	0.035932	0.026332	0.029761	29.7606
1/1/2001	0.035932	0.026332	0.029761	29.7606
2/3/1998	0.036200	0.026600	0.030029	30.0286
10/29/1997	0.036200	0.026600	0.030029	30.0286
5/2/1995	0.036200	0.026600	0.030029	30.0286
3/31/1994	0.036200	0.026600	0.030029	30.0286
1/1/1993	0.033500	0.025200	0.028164	28.1643
4/30/1992	0.033000	0.025000	0.027857	27.8571
3/29/1991	0.031300	0.024000	0.026607	26.6071
1/1/1990	0.031280	0.023980	0.026587	26.5871
1/1/1986	0.031280	0.023980	0.026587	26.5871



Notes:

- All rates shown are On-Peak & Off-Peak Energy Charges from Xcel Energy. (includes estimated base fuel costs)
- Average Rate is calculated using local On-Peak times of (9am-9pm M-F). *Ave Rate = {[Peak (60 hrs) + Off Peak (108 hrs)] / 168 hrs}*
- 1/1/86 to 1/1/90 rates are not known - carried back the 1/1/90 rate as a 'reasonable rate' for this 4 year period.
- Rates verified by Erich Beaulieu of Xcel Energy for years 1990 through 2007.
- Ford's compensation rate from Xcel Energy for none capacity excess power is averaged at $31.60 / MWh. (on peak 0.046 & off peak 0.0236 kWh)
- Energy Gain break even for Ford Motor per revenue stream for 2007 is 68.25% of Xcel average

Alternative Source Utility Rates For Equivelent Energy Gains Calculations (1986 to 2007).xls
Date Created: 09-07-2007
Brad Bystrom - Plant Engrg.

Attachment (A)