

December 21, 2012



Mr. Ronald W. Smith
Corporate Secretary
Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, Virginia 22314

Re: Revised Draft Amendment to MSRB Rule G-11

Dear Mr. Smith:

I am the Senior Vice President, Chief Financial Officer of the Municipal Electric Authority of Georgia ("MEAG Power") and I appreciate this opportunity to comment further on the proposed amendment to Rule G-11 of the Municipal Securities Rulemaking Board (the "MSRB"). On August 13, 2012, I filed comments with you (the "Previous MEAG Power Comment Letter") to the MSRB's Notice 2012-36 (July 5, 2012). By this letter, I am submitting MEAG Power's comments to the MSRB's Notice 2012-58 (November 21, 2012), which proposes certain further changes to the draft amendment to Rule G-11.

As an initial matter, we would like to commend the staff of the MSRB for their thoughtful reconsideration of the proposed amendments to Rule G-11, particularly the addition of new clauses (k)(i) and (iv) thereto, each of which we think strikes an appropriate balance between the interests of existing bondholders and need for issuers to have a cost-effective and efficient method for effecting changes to their bond authorizing documents.

In its description of the existing exceptions under the Draft Rule G-11 Amendment (such term, and all other capitalized terms used herein without definition, having the respective meanings assigned thereto in Notice 2012-58), we note that Notice 2012-58 contains the following statement (emphasis added):

The second existing exception, also unchanged from the Draft Rule G-11 Amendment, would allow a dealer, as a remarketing agent, to provide consent for securities that had been tendered to it as a result of a mandatory tender, provided that all securities affected by the consent had been tendered. ***Thus, if a bondholder elected to exercise a right to "hold" bonds subject to a mandatory tender in lieu of tendering, a dealer acting as the remarketing agent would be prohibited from providing consents to changes in the authorizing documents unless the remarketing agent had also received the specific written consent of such bondholder to such change.***

We note, however, that the text of clause (k)(iii) of the Revised Draft Rule G-11 Amendment provides that "all securities affected by such amendment are held by the broker, dealer, or

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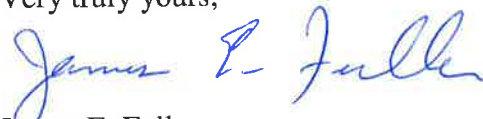
municipal securities dealer, acting as remarketing agent, as a result of a mandatory tender of such securities”, so we are not sure of the basis for the exception set forth in the highlighted sentence above. Accordingly, we ask that you reconsider clause (k)(iii) of the Revised Draft Rule G-11 Amendment, to add thereto an express statement of the exception set forth in the highlighted sentence above.

In the Previous MEAG Power Comment Letter, I noted that all of MEAG Power’s bond resolutions (and, we believe, the overwhelming majority of bond authorizing documents used in the municipal securities market) generally permit amendments with the consent of the holders of a majority in principal amount of the bonds outstanding thereunder (or, in certain cases, of the holders of a super-majority of such bonds), so I requested that the language of the third existing exception set forth in the Draft Rule G-11 Amendment (which currently is set forth in clause (k)(v) of the Revised Draft Rule G-11 Amendment) be revised to permit underwriter consents to amendments in cases where consents also are obtained from the holders of the requisite percentage (as specified in the relevant bond authorizing document), rather than all, of the outstanding parity bonds. In addition, based upon MEAG Power’s previous experience with the process of soliciting consents to amendments to a bond authorizing document from the holders of outstanding bonds as described in the Previous MEAG Power Comment Letter, we thought that it would be difficult in many cases for an issuer to complete a consent solicitation process with the holders of its outstanding bonds prior to the offering of a new issue of parity bonds under that bond authorizing document, so I requested that the effectiveness of an underwriter’s consent to amendments, rather than the ability of the underwriter to execute such a consent, be conditioned upon the receipt of consents of the holders of the requisite percentage of the bonds outstanding immediately prior to the issuance with respect to which the underwriter is providing consent. Since those requests were not reflected in clause (k)(v) of the Revised Draft Rule G-11 Amendment, we ask that you reconsider including them now.

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If you have any questions regarding the foregoing, please do not hesitate to telephone me at (770) 563-0522.

Very truly yours,



James E. Fuller
Senior Vice President,
Chief Financial Officer