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Omaha Public Power District
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OFFICE OF THE SECRETARY

September 6, 2013

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Comments on Proposed Money Market Fund Reform; Amendments to Form PF (File No. S7-03-13)

Dear Ms, Murphy,

On behalf of the Omaha Public Power District, I am contacting you in response to the Security and Exchange Commission's rule proposal for money market funds (MMFs).

The Omaha Public Power District (OPPD) is one of the largest public power utilities in the United States, serving more than 780,000 people across 13 southeast Nebraska counties. We service numerous communities throughout Nebraska, and seek to deliver reliable and low-cost energy to our customers.

While I appreciate the SEC's attention to money market fund reform, I am very concerned over the inclusion of new regulations for municipal MMFs in the SEC's rule proposal. New regulations on municipal MMFs, such as removing the stable $1.00 Net Asset Value or placing limitations on fund redemptions, would upend many of the product's key benefits and lead to investors opting for other alternatives.

While investors should have the ability to invest in cash management vehicles of their choice, OPPD and other public debt issuers would be disproportionately impacted by investors leaving MMFs. As you know, public issuers such as OPPD rely on money market funds to purchase the short-term debt that is necessary to ensure that we have access to capital to meet our operational needs. In fact, most of the short-term debt OPPD issues is purchased by MMFs. This funding allows OPPD to continue to deliver low-cost energy to residents throughout southeast Nebraska.

OPPD is not alone in our reliance on MMFs as a cost-efficient funding mechanism. In a letter to the U.S. Senate Banking Committee in June of last year, the American Public Power Association and 12 other associations representing municipalities noted that MMFs are "the largest investor in short-term municipal bonds, holding 74% of all outstanding short-term bonds equaling nearly $454 billion". Clearly, less investment in municipal MMFs resulting from new regulations would have significant economic consequences for OPPD and other municipal borrowers.

Further, it is clear that municipal MMFs – a small fraction of the overall MMF industry – do not pose systemic risks to the financial system, as evidenced by the redemption activity with these funds during the financial crisis and other recent periods of market volatility. Municipal MMFs performed much more similarly to the government MMFs that are currently exempt from new regulations in the SEC proposal, further proof that these funds are not in need of additional regulations.

I ask that the SEC amend its current rule proposal to exempt municipal money market funds from further regulation. Thank you for your consideration of this important request.

Respectfully,

John W Thurber

John W. Thurber
Division Manager – Finance
Omaha Public Power District