



Exhibit ME-5

**United States Department of Agriculture
Rural Development**

MAR 20 2015

Mr. Michael E. Easley
Chief Executive Officer/General Manager
Powder River Energy Corporation
P.O. Box 930
Sundance, Wyoming 82729-0930

Dear Mr. Easley:

In response to your letter dated February 25, 2015, we have reviewed the information submitted regarding Powder River Energy Corporation's (Powder River) amended revenue deferral plan. Powder River plans to defer an additional \$4,200,000 of 2014 revenue and to adjust its recognition period to 2015-2019.

All of the required information was submitted in the letter and enclosure. The Rural Utilities Service's (RUS) approval to amend the plan is, therefore, given. It should be noted, however, that our approval is based upon the understanding that the deferral and amortization of this revenue will be specifically addressed in your cooperative's next rate filing with the Wyoming Public Service Commission (Commission). If, as a result of that filing, the Commission does not allow for the inclusion of this revenue in the determination of future rates, any remaining deferred revenue must be taken into income, in its entirety, at that time. RUS requests Powder River provide a copy of the Commission's order when it is issued. Please be advised that you must obtain RUS approval prior to making any additional changes to the amended plan.

If you have any questions or if we can be of any further assistance, please contact the Technical Accounting and Auditing Staff at (202)720-5227.

Sincerely,

A handwritten signature in black ink, appearing to read "Victor T. Vu".

VICTOR T. VU
Deputy Assistant Administrator
Office of Portfolio Management and Risk Assessment

1400 Independence Ave., S.W. : Washington DC 20250-0700
Web: <http://www.rurdev.usda.gov>

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Resolution 2015-01 Approval of Amended Revenue Deferral Plan

WHEREAS, Powder River Energy Corporation will have excess operating margins in 2014, primarily due to the recognition of earned but unbilled revenue as of December 31, 2014.

WHEREAS, the Board of Directors of Powder River Energy Corporation believes that it is in the best interest of the membership for long-term rate stability to defer a portion of excess revenue to future years through a Revenue Deferral Plan; and

WHEREAS, the Rural Utilities Service (RUS) has published "*Accounting Requirements for RUS Electric Borrowers*", 7 CFR Part 1767, requiring RUS approval of all revenue deferral plans; and

AND WHEREAS, Powder River Energy Corporation has a current revenue deferral plan, approved by RUS in May of 2014, which provides for the following revenue recognition:

2014: \$3,020,000

Plan Total: \$3,020,000

NOW THEREFORE BE IT RESOLVED, that Powder River Energy Corporation wishes to amend the current RUS approved revenue deferral plan to utilize no deferred revenue from the plan in 2014, to defer an additional \$4,200,000 of revenue from 2014, and to provide for the following revenue recognition in 2015 and beyond:

2015: \$2,350,000

2016: \$2,350,000

2017: \$1,000,000

2018: \$1,000,000

2019: \$ 520,000

Amended Revenue Deferral Plan Total: \$7,220,000

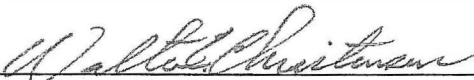
AND BE IT FURTHER RESOLVED, that the cash equivalent of the deferred revenue shall be in segregated funds until such time as it is subsequently amortized back into revenue; and

BE IT FURTHER RESOLVED, that the Cooperative does not believe that this action will impact its tax-exempt status; and

BE IT FURTHER RESOLVED, the Board of Directors finds that bringing said revenue into the Cooperative's business from 2015 to 2019 will have no impact on Powder River Energy Corporation's status as a cooperative since the deferred revenue will be included in the allocation of capital credits in the year it is deferred; and

BE IT FURTHER RESOLVED, that as with any decision by the Board of Directors of the Cooperative, it accepts the consequences of its decision.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation this 5th day of February, 2015




President

(Corporate Seal)

SECRETARY'S CERTIFICATE

I, Philip Habeck, do hereby certify that: I am the Secretary of Powder River Energy Corporation (hereinafter the "Corporation"); that the foregoing are the true and correct copies of resolutions duly adopted by the Board of Directors of the Corporation at a special meeting held February 5, 2015, and entered in the minute book of the Corporation; that the meeting was duly and regularly called and held in accordance with the bylaws of the Corporation; and that none of the foregoing resolutions have been rescinded or modified.



Secretary



February 25, 2015

Mr. Joseph Badin
Director, Northern Regional Division
USDA-RUS-NRD Stop 1566
RM 0241, South Bldg
1400 Independence Ave SW
Washington, DC 20250-1566

Dear Mr. Badin:

Please consider this as a formal request from Powder River Energy Corporation (PRECorp) to amend our current RUS approved Revenue Deferral Plan in accordance with generally accepted accounting principles and as defined by 7 CFR Part 1767-Accounting Requirements for RUS Borrowers.

Our deferral plan, established in 2009, originally deferred \$2,300,000 in revenue to be recognized in the following four years. RUS subsequently approved a deferral of 2010 revenue in the amount of \$700,000, and then approved an additional deferral of 2010 revenue of \$2,720,000 upon a second request. Additional deferrals were approved in 2011 and 2012 of \$1,100,000 and \$700,000, respectively. As of December 31, 2012, the balance of PRECorp's deferred revenue plan was \$7,520,000.

The Rural Utility Service approved the recognition of \$4,500,000 in previously deferred revenue in the Cooperative's 2013 results in order to meet required financial ratios, in a letter dated May 8, 2014. In that letter RUS stated that the approval was based upon the understanding that the deferral would be specifically addressed in PRECorp's next rate filing with the Wyoming Public Service Commission. Due consideration and acknowledgement of the plan was given by the Commission during the hearing, from which a portion of the transcripts are attached with the relevant sections highlighted.

PRECorp's Board of Directors has approved a revenue deferral of \$4,200,000 from excess margins in 2014. Pending RUS approval, PRECorp's revised balance in the plan is \$7,220,000, summarized as follows:

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Mr. Joseph Badin
February 25, 2015
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2009 Revenue Deferral:	\$2,300,000
2010 Revenue Deferral:	\$3,420,000
2011 Revenue Deferral:	\$1,100,000
2012 Revenue Deferral:	\$ 700,000
2013 Deferred Revenue Utilized:	(\$4,500,000)
<u>2014 Revenue Deferral:</u>	<u>\$4,200,000</u>
Total Requested Deferral:	\$7,220,000

Included in this request is the Board Resolution, which provides the amended Revenue Deferral Plan and the accounting entries for the deferral and subsequent recognition of revenue.

If you require any additional information, please do not hesitate to contact me. Thank you for your consideration of this request.

Sincerely,



Michael E. Easley
CEO

cc: Michelle Colson, RUS GFR

Enclosures