March 23, 2020

The American Public Power Association (APPA) is the national service organization for not-for-profit, community-owned utilities that power 2,000 towns, cities and other political subdivisions nationwide. Public power utilities account for over 15 percent of all electric sales to over 49 million customers in every state but Hawaii. While public power utilities serve several large cities, the vast majority are in communities of 10,000 people or less. The PMAs provide millions of Americans served by public power and rural electric cooperative utilities with cost-based hydroelectric power produced at federal dams. PMA rates are set to cover all generation and transmission costs, as well as repayment, with interest, of the federal investment, as well as irrigation assistance, in these multi-purpose federal projects. None of the costs are borne by taxpayers. For many decades, these partnerships have benefitted the federal government and public power and rural electric cooperative utilities, their retail customers, and their communities.

We appreciate the efforts to provide stimulus funds for the federal agencies during this emergency. Please recognize that, unless otherwise noted, additional funds that are provided to the PMAs, the Corps, and Reclamation’s hydropower programs may be recovered in rates by electric customers, which is likely an unintended outcome. If the PMAs must recover these additional expenditures in rates, ultimate power customers will see rate increases at a time when many are facing the economic impacts of the coronavirus emergency, including reduced electricity load. Therefore, please treat all emergency funds for the PMAs, the Corps, and Reclamation on par with funding for other federal agencies and explicitly stipulate that funds provided under the bill may not be recovered in rates from customers of the Federal Power Program.

Thank you for your time and consideration. Please contact Amy Thomas at 202-467-2934 or athomas@publicpower.org with any questions.
Sincerely,

Joy Ditto  
President & CEO

CC:

Lisa Murkowski  
Chairman, U.S. Senate Committee on Energy & Natural Resources

Joe Manchin  
Ranking Member, U.S. Senate Committee on Energy & Natural Resources

John Barrasso  
Chairman, U.S. Senate Committee on Environment & Public Works

Thomas Carper  
Ranking Member, U.S. Senate Committee on Environment & Public Works

Frank Pallone  
Chairman, U.S. House of Representatives Committee on Energy & Commerce

Greg Walden  
Ranking Member, U.S. House of Representatives Committee on Energy & Commerce

Peter DeFazio  
Chairman, U.S. House of Representatives Committee on Transportation & Infrastructure

Sam Graves  
Ranking Member, U.S. House of Representatives Committee on Transportation & Infrastructure

Raul Grijalva  
Chairman, U.S. House of Representatives Committee on Natural Resources

Rob Bishop  
Ranking Member, U.S. House of Representatives Committee on Natural Resources