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March 23, 2020

The Honorable Richard Shelby
Chairman
U.S. Senate Committee on Appropriations
Room S-128, The Capitol
Washington, D.C. 20510

The Honorable Patrick Leahy
Vice Chairman
U.S. Senate Committee on Appropriations
Room S-128, The Capitol
Washington, D.C. 20510

The Honorable Nita Lowey
Chairman
U.S. House Committee on Appropriations
H-307, The Capitol
Washington, D.C. 20515

The Honorable Kay Granger
Ranking Member
U.S. House Committee on Appropriations
1016 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Shelby, Vice Chairman Leahy, Chairman Lowey, and Ranking Member Granger:

On behalf of federal hydropower customers, we write today to ask you to ensure that any emergency funding given to the Power Marketing Administrations (PMAs) or hydropower generating agencies, the U.S. Army Corps of Engineers (Corps) and U.S. Bureau of Reclamation (Reclamation), to address the current national emergency related to COVID-19 be explicitly defined as non-reimbursable in the enacting legislation.

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,

A handwritten signature in black ink, appearing to read "JD" followed by a stylized flourish.

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