



October 2, 2019

Dear Member of the Pacific Northwest Congressional Delegation:

The Pacific Northwest is often admired nationwide – indeed, globally – for its dynamic and growing economy, fertile farmlands and abundance of outdoor recreation opportunities. The Bonneville Power Administration (Bonneville) has a long and proud history of providing clean, reliable, and affordable hydropower that laid the groundwork for the region to flourish. The American Public Power Association (APPA) and National Rural Electric Cooperative Association (NRECA) strongly believe that Bonneville and the federal hydropower it markets will continue to provide value to the region and nation for decades to come.

APPA is the national service organization for not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. Public power utilities account for over 15 percent of all electric sales to over 49 million customers in every state but Hawaii. NRECA is the national service organization representing the interests of cooperative electric utilities and the consumers they serve. More than 900 not-for-profit rural electric utilities provide electricity to over 42 million people in 48 states, or one in eight electric customers nationwide.

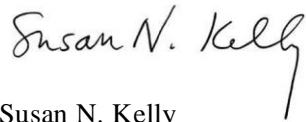
Established in 1937, Bonneville is a nonprofit federal power marketing administration that markets wholesale electric power from 31 federal hydroelectric projects and one nonfederal nuclear plant to millions of Americans in the region served by many of our members. Bonneville rates are set to cover all the generation and transmission costs, as well as repayment, with interest, of the federal hydropower projects. None of the costs are borne by taxpayers. Moreover, the federal hydroelectric projects for which Bonneville markets power are multipurpose – in addition to generating electricity, they provide flood control, irrigation, navigation services and recreation opportunities. The multipurpose nature of these projects is invaluable to the region and its economy.

Like the entire electric utility industry, Bonneville is facing a fast-changing electric market landscape and the challenges that transition brings. We believe strongly that Bonneville is well-positioned to adapt to changing markets and energy policies to the benefit of consumers and the region. Despite recent press reports of alleged financial distress, Bonneville has high investment-grade credit ratings and, together with its community-owned Northwest customers, is working to reduce costs and maintain competitiveness. Moreover, hydropower is the premier renewable resource and offers unparalleled reliability. As the rest of the country grapples with how to ensure an affordable and reliable transition to a clean economy, the Pacific Northwest is leaps and bounds ahead. Innate to hydropower are attributes – low cost, non-emitting, and reliable – that are highly desirable energy policy goals that energy markets are moving towards appropriately valuing.

Bonneville and the federal hydropower it markets have been a cornerstone of the Pacific Northwest's economy since 1937. Together with its public power and rural electric cooperative customers and the

millions of consumers they serve, Bonneville is working to ensure that it remains the backbone of regional and nationwide economic development for years to come.

Sincerely,



Susan N. Kelly
President & CEO
American Public Power Association



Jim Matheson
CEO
National Rural Electric Cooperative Association

Cc:

The Honorable Rick Perry
Secretary, U.S. Department of Energy

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

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

The Honorable Martha McSally
Chairman, Subcommittee on Water & Power, U.S. Senate Committee on Energy & Natural Resources

The Honorable Catherine Cortez Masto
Ranking Member, Subcommittee on Water & Power, U.S. Senate Committee on Energy & Natural Resources

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

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

The Honorable Alan Lowenthal
Chairman, Subcommittee on Energy & Mineral Resources, U.S. House of Representatives Committee on Natural Resources

The Honorable Paul Gosar
Ranking Member, Subcommittee on Energy & Mineral Resources, U.S. House of Representatives Committee on Natural Resources