

# Support Public Power in Future COVID Relief Bills

Sending Office: Honorable Doris O. Matsui  
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## Tell Leadership: Don't Leave Out Public Power in COVID Relief Measures

**Deadline: Friday, June 26th, COB**

**Current signers: DeFazio, Butterfield**

Dear Colleague:

I write to invite you to join me in encouraging House leadership to include assistance to public power providers in any upcoming coronavirus relief package. According to the American Public Power Association (APPA), the public power sector is on track to lose an estimated \$5 billion in revenue in 2020 alone. Yet in previous coronavirus relief bills, this sector has been uniquely left out of certain programs that could provide financial assistance during this hardship, including the Paycheck Protection Program (PPP) and the employer payroll tax credit for qualified family leave wages.

There are approximately 2000 public power utilities serving customers all over the country, rural, suburban, and urban. As not-for-profit, publicly-owned entities, they provide affordable, reliable power to over 49,000 million Americans. As an essential service, they continue to provide electricity to customers' homes, enabling many of us to continue working from home or enabling children to proceed with at-home learning opportunities. Moreover, most public power utilities instituted voluntary moratoriums on shutoffs for nonpayment soon after the pandemic struck, recognizing that no one should be without power during this period of unique hardship.

Public power is essential, but has not been treated so by previous coronavirus relief measures. Please join me in urging House Leadership to include direct assistance to public power in any future relief bill. Doing so will ensure that public power can remain solvent and prioritize reliability and affordability in the years to come.

If you have any questions or wish to sign on, please contact Emily Richardson at [Emily.Richardson@mail.house.gov](mailto:Emily.Richardson@mail.house.gov).

Sincerely,

Doris Matsui

Letter Text:

June XX, 2020

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

As you consider future rounds of COVID-19 relief for the nation, we strongly urge you to consider the needs of public power utilities. The nation's 2,000 public power utilities operate in every state and territory, except Hawaii and the District of Columbia, serving more than 49 million Americans and 2.6 million businesses. These public power utilities are critical to the life, safety, and economic health of the communities they serve. Throughout this unprecedented pandemic, their top priorities have been to keep customers and workers safe while continuing to provide power reliably.

Like almost every other sector of the U.S. economy, public power utilities operated by cities, counties, and utility districts are facing significant financial challenges. Public power utilities face increased costs incurred to keep their workers and customers safe while continuing to provide the electricity needed to power homes, hospitals, and other essential operations. Simultaneously, revenues are down due to a decrease in industrial and commercial electricity use as well as a decline in revenue collected from residential and small business customers as many utilities implemented voluntary moratoriums on disconnections for nonpayment. According to projections from the American Public Power Association, this sector stands to see losses of up to \$5 billion in 2020 alone.

The ability of the nation's more than 2,000 not-for-profit public power utilities to handle these financial stresses varies widely, with some utilities having as little as 30-day cash reserves on hand. Working capital concerns can have a dramatic effect on the 93,000 utility workers employed by public power that must be paid and have their health protected. Likewise, neither the fuel that drives power plants nor electricity bought from merchant generators comes without cost, and repairs and maintenance must continue. Without paying for these resources, the lights cannot stay on and critical services that these utilities deliver – such as Americans' ability to work remotely, children's receipt of at-home learning resources, and public safety from life-threatening heat conditions – will disappear.

Adding to this burden is the fact that public power utilities are excluded from key relief measures passed by Congress and available to other sectors. For example, while 98 percent of public power utilities would be considered "small" by the Small Business Administration (SBA) size standards, all public power utilities are ineligible for the SBA's Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Likewise, while Congress has appropriated direct aid to state and local governments, such as Coronavirus Relief Funds, these resources are extremely limited relative to demand and public power utilities must compete with other critical governmental needs to access them.

In the CARES Act, Congress appropriated an additional \$900 million for the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is the main federal program that helps low-income households with their energy bills, particularly high-risk groups including seniors, the disabled, certain veterans, and families with young children. We want to express our deep appreciation for this additional funding, but highlight that the need is far greater than what has been appropriated, and counties across the country are already reporting that they will need far more. In fact, according to the National Energy Assistance Directors Association, LIHEAP only reaches 6 million out of 35 million eligible households in a typical year and the economic turmoil caused by the pandemic will push another 8 million onto LIHEAP's eligibility rolls. We appreciate the provisions in the HEROES Act to address this and provide more funding and support its inclusion in a final bill.

Despite these hardships, public power systems appear uniquely shut out of federal aid options even as their services become all the more vital. To that end, we ask that you consider including a new, forgivable loan program available to not-for-profit electric utilities in any future aid package. As we look to deliver additional relief, it is critical that we do not overlook the electricity needs of millions of Americans across the country and the critical role that public utilities play in ensuring these needs are met.

We thank you for your consideration and look forward to working with you as we combat this unprecedented crisis.

Sincerely,