



March 23, 2020

Secretary Sonny Perdue  
US Department of Agriculture  
1400 Independence Ave, SW  
Washington, DC 20250

Dear Secretary Perdue,

For over 80 years, the U.S. Department of Agriculture and America's electric cooperatives have partnered – not just to keep the lights on – but to promote the overall well-being of all rural America. In this extraordinary and challenging time, when those communities are threatened, our partnership is more important than ever. The primary and immediate concern of electric cooperatives is maintaining electric reliability and the financial strength of our co-ops who are potentially threatened by financial pressures on our member-owners. As electric cooperatives endeavor to face the current crisis, we request you utilize existing authorities of the Department to provide relief to electric cooperatives in the following areas:

1. Exercise maximum administrative flexibility to help RUS borrowers deal with the current unforeseen circumstances. In doing so, we request you offer to electric cooperatives:
  - a. loan payment deferrals;
  - b. flexibility in meeting contractual buildout benchmarks for electric, smart grid and broadband projects; and
  - c. suspension of certain loan covenants that limit financial flexibility.
2. Pursuant to the authorities provided to the Department in the Farm Bill, expedite refinancing requests.
3. Expedite loan approvals.
4. Provide loans for operating capital to bridge the current economic crisis which will result in non-payment of electric bills.
5. Reprice the entire RUS loan portfolio to take advantage of historically low interest rates, providing short term cash flow and long-term stability.

As you have in the past, I hope you will continue to use your considerable administrative authority to meet the needs of our members, as we work to meet the needs of ours. I hope you will let us know if there is anything we can do for you. Thank you again for your partnership and your friendship.

Sincerely,

Jim Matheson  
Chief Executive Officer

CC: The Honorable Steve Censky, Deputy Secretary  
Mr. Chad Rupe, Administrator, Rural Utilities Service