

December 16, 2015

The Honorable Mitch McConnell Majority Leader US Senate 317 Russell Senate Office Building Washington, DC 20510

The Honorable Paul Ryan Speaker of the House of Representatives US House of Representative 1233 Longworth House Office Building Washington, DC 20515

The Honorable Harry Reid Minority Leader US Senate 522 Hart Senate Office Washington, DC 20510

The Honorable Nancy Pelosi Democratic Leader US House of Representatives 233 Cannon House Office Building Washington, DC 20515 The Honorable Thad Cochran Chairman Committee on Appropriations US Senate 11 Dirksen Senate Office Building Washington, DC 20510

The Honorable Hal Rogers Chairman Committee on Appropriations US House of Representatives 2406 Rayburn House Office Building Washington, DC 20515

The Honorable Barbara Mikulski Ranking Member Committee on Appropriations US Senate 503 Hart Senate Office Building Washington, DC 20510

The Honorable Nita Lowey Ranking Member Committee on Appropriations US House of Representatives 2365 Rayburn House Office Building Washington, DC 20515

Dear Majority Leader McConnell, Speaker Ryan, Minority Leader Reid, Democratic Leader Pelosi, Chairman Cochran, Chairman Rogers, Ranking Member Mikulski and Ranking Member Lowey:

On behalf of America's electric cooperatives, the National Rural Electric Cooperative Association (NRECA) strongly supports passage of the FY 2016 Omnibus Appropriations bill. This bill contains a number of critical funding and policy provisions that will ultimately enable not-for-profit, member-owned electric cooperatives to continue providing 42 million Americans with affordable, safe and reliable electricity.

NRECA welcomes funding levels set forth in the Agriculture, Rural Development, Food and Drug Administration and Related Agencies spending bill for the Rural Utility Service (RUS) Electric Loan Program, the Guaranteed Underwriter Program and Rural Economic Development Loans & Grants. NRECA also appreciates new language initiating and providing funds to encourage energy efficiency through the Rural Energy Savings Program. Combined, these programs will enhance the economic viability of cooperatives and, more broadly the communities we serve.

NRECA also commends your efforts to include a number of policy provisions important to rural electric cooperatives. We welcome the measure codifying a decision by the U.S. Fish and Wildlife Service to not list the greater sage grouse as endangered or threatened under the Endangered Species Act. Electric cooperatives across the country have worked to develop conservation plans for various species that will protect wildlife without imposing unnecessary financial burdens on their members.

The Cybersecurity Act of 2015 will enhance procedures for the voluntary sharing of cybersecurity threat information between the federal government and private entities—including electric cooperatives. This legislation preserves existing channels and will help bolster our national cybersecurity posture.

Further, we applaud you for postponing the unfair and burdensome "Cadillac Tax", which will disproportionality impact rural communities where limited access makes the cost of that health care much higher than in urban areas. America's electric co-ops provide health insurance benefits to over 100,000 employees, retirees and their families. No co-op should be penalized for 'doing the right thing' by providing quality and affordable health care plans.

Additionally, NRECA is supportive of the Reclamation Safety of Dams provision shielding existing federal hydropower customers from bearing the costs of any potential expansion of Reclamation dams for water storage or other non-hydropower purposes. The measure ensures that the additional costs of any such expansion will be allocated solely to the beneficiaries of the new construction and not to existing project beneficiaries like current hydro customers.

The \$11,000,000 appropriation for the USAID Cooperative Development Program supports cooperative development programs and projects overseas implemented by U.S. cooperative organizations. NRECA International has been a partner in this program for over 50 years.

We applaud Senate and House Leadership, both Appropriations Chairmen and Ranking Members and all Senate and House Appropriators for crafting a strong spending package that finalizes FY 2016 spending levels and funds all federally funded agencies—and in a manner supportive of rural electric cooperatives and the members they serve.

Sincerely,

Jeffrey Connor

Interim CEO, NRECA