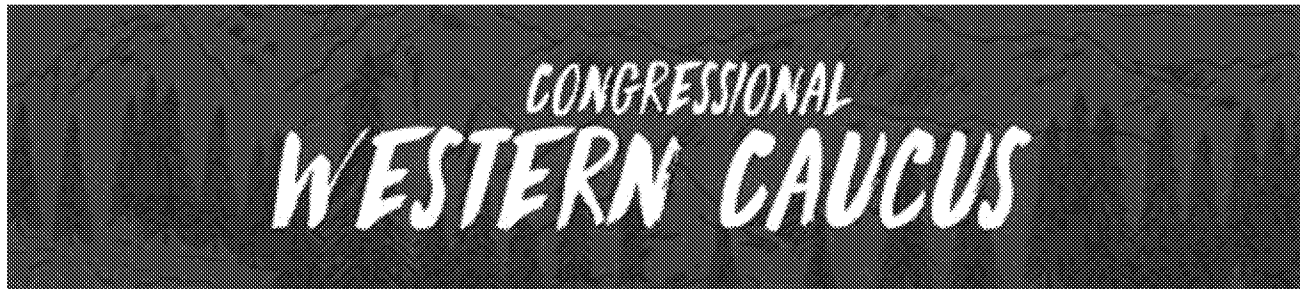


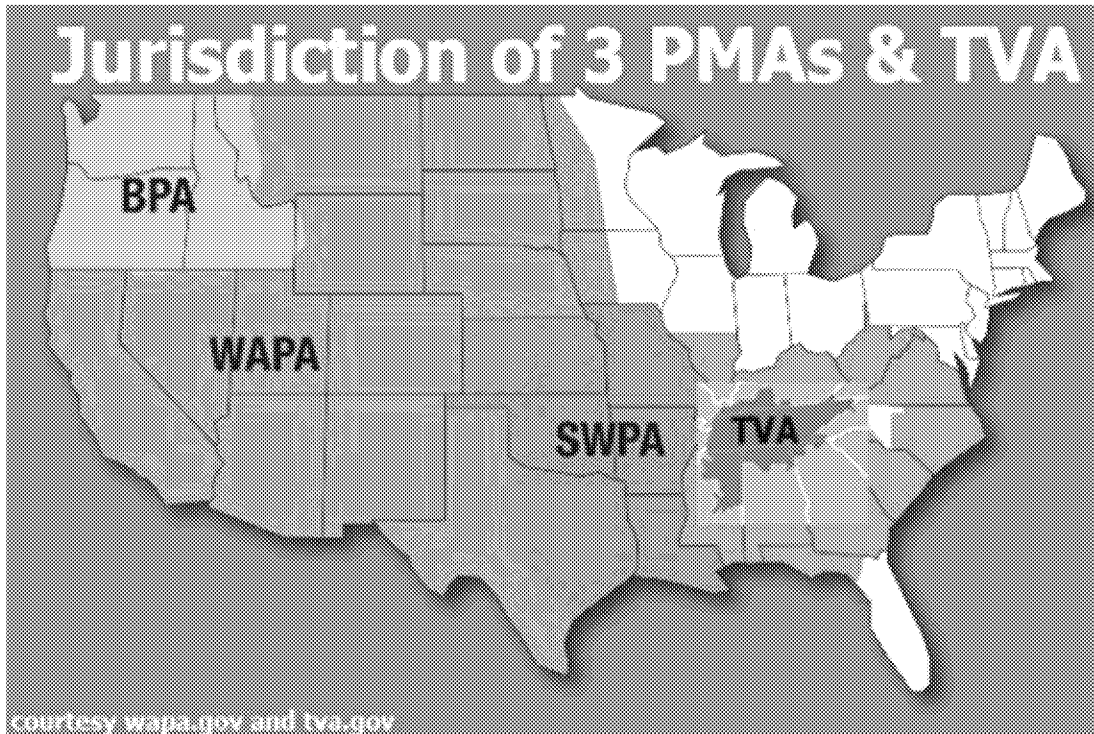
**From:** Hanson, Tanner [Tanner.Hanson@mail.house.gov]  
**Sent:** 3/23/2018 9:45:40 PM  
**To:** Hanson, Tanner [Tanner.Hanson@mail.house.gov]  
**CC:** Small, Jeff [Jeff.Small@mail.house.gov]  
**Subject:** Caucus & Power Groups Urge Budget Committee to Reject Public Power Asset Sale



**For Immediate Release**  
Contact: Tanner Hanson

**Date:** March 23, 2018  
[Tanner.Hanson@mail.house.gov](mailto:Tanner.Hanson@mail.house.gov)

## Caucus & Power Groups Urge Budget Committee to Reject Public Power Asset Sale



**WASHINGTON, D.C.** – Today, Congressional Western Caucus Chairman **Paul A. Gosar D.D.S. (AZ-04)**, Chief Rules Officer **Dan Newhouse (WA-04)** and Western Caucus Member **Kurt Schrader (OR-05)**, as well as the **American Public Power Association** and representatives for the **National Rural Electric Power Association** and the **Mid-West Electric Consumers Association** released the following statements after 59 Members of Congress sent a letter requesting that the House Budget Committee reject proposals for the sale of

the transmission assets of three of the Power Marketing Administrations (PMAs) and the Tennessee Valley Authority (TVA) as well as proposed changes to pricing structures of the PMAs:

“Privatization is clearly out of step with the needs of WAPA power customers and end users. While they may provide a short-term boost to Treasury revenues, these actions would ultimately prove short-sighted. Any prospective private purchasers would have to raise rates dramatically in order to make a profit. At-cost power, on the other hand, is a win-win both for consumers and the federal government because the PMAs recoup all federal investment plus interest. To my friends on the Budget Committee: let's make a strong statement for power cost stability and work to cut the real dead weight off the budget, instead of those programs and assets which are proven to work,” said **Congressman Gosar**.

**Congressman Newhouse** stated, “My constituents - especially in rural communities - depend on Bonneville Power Administration to provide stable and affordable electricity service. Divesting BPA would create needless uncertainty for regional energy markets and ratepayers in Central Washington.”

“Stripping the Bonneville Power Administration (BPA) of its assets will only harm Oregon ratepayers,” said **Congressman Schrader**. “Pacific Northwest consumers rely on BPA’s clean, affordable and sustainable power it provides to the region. This proposal will cause major problems with energy production and delivery, hiking consumer rates and reducing service. It would be catastrophic to the Northwest if this misguided proposal is included in the FY 2019 budget.”

“A healthy rural America can be the rising tide that lifts the nation’s economy,” NRECA CEO Jim Matheson said. “Proposals to sell PMA transmission assets would jeopardize affordable and reliable power for more than 100 million people across the nation. In fact, selling PMA transmission assets would devastate rural economies with absolutely no benefit to the federal budget. We appreciate the House Western Caucus’ continued opposition to this proposal,” said **Jim Matheson, CEO of the National Rural Electric Cooperative Association**.

“Selling the PMA transmission assets and moving to market-based rates would be devastating for struggling rural economies. We are extremely grateful to our Delegation for again recognizing the short-sighted and misguided basis for these proposals,” said **William K. Drummond, Executive Director of the Mid-West Electric Consumers Association**.

“Bad ideas have a habit of resurfacing again and again. This week’s letter – signed by 59 members of Congress from across the country – demonstrates the breadth of support for these cost-based, self-funding public enterprises. The American Public Power Association greatly appreciates the willingness of these conscientious lawmakers to stand for what is not only right, but the best policy for all – including the millions of customers receiving power generated by the PMAs,” said the **American Public Power Association**.

## **Background:**

The Fiscal Year 2019 Budget Request to Congress proposed to sell transmission assets of the Tennessee Valley Authority (TVA) as well as three of the Power Marketing Administrations (PMAs) within the Department of Energy (DOE). It further requested - separate from the asset

sale - a switch to market-based pricing structure from the present at-cost pricing structure of the four PMAs.

In response, 59 Members of Congress - lead by by Reps. Dan Newhouse, Kurt Schrader, Paul Gosar, Chuck Fleischmann and Rick Crawford - sent a letter to the House Budget Committee requesting that they reject these misguided proposals to auction off these assets and change pricing structures for the PMAs.

The letter enjoyed massive bipartisan support, including the signatures of 33 Democrats and 26 Republicans, in addition to significant support from local co-ops, irrigation groups and power users that would be negatively affected. To read the final signed letter with signatures click [HERE](#).

The House Budget Committee responded to similar provisions in the FY '18 Budget Request by advancing a budget resolution that **did not** privatize these PMA assets after a similarly strong coalition sent a letter requesting as much last year. At the time, these omissions demonstrated that the Committee was interested in solving real fiscal problems and avoiding significant damage to rural and metropolitan communities alike by introducing uncertainty for the tens of millions of American families and businesses who rely on affordable and sustainable power.

As this year's letter makes clear, nothing about the status or pricing structure of the PMAs and the TVA has changed since the Budget Committee's favorable actions to retain the assets a year ago. As such, the letter urges the Committee to make the right decision once more and preserve these assets as an at-cost, public utility format.

The four federal PMAs help provide affordable electricity service for millions of people throughout the country. There is no cost to taxpayers as these hydropower projects repay to the U.S. Treasury, with interest, all generation and transmission costs of the federal projects. TVA provides affordable power to more than nine million Americans in seven different states, also at no cost to taxpayers.

\* \* \*

**FY 2019 Signers (59):** Rick Crawford\*, Chuck Fleischmann\*, Paul Gosar\*, Dan Newhouse\*, Kurt Schrader\*, Mark Amodei, Sanford D. Bishop Jr., Andy Biggs, Earl Blumenauer, Suzanne Bonamici, Salud O. Carbajal, Jim Costa, Kevin Cramer, John Curtis, Peter DeFazio, Diana DeGette, Suzan DelBene, Tom Emmer, Anna G. Eshoo, Jeff Fortenberry, Ruben Gallego, John Garamendi, Greg Gianforte, Raul Grijalva, Denny Heck, Jaime Herrera Beutler, Jared Huffman, Walter B. Jones, Trent Kelly, Ro Khanna, Derek Kilmer, Steve King, Doug LaMalfa, Doug Lamborn, Rick Larsen, Dave Loebsack, Mia Love, Frank Lucas, Michelle Lujan Grisham, Doris Matsui, Cathy McMorris Rodgers, Jerry McNerney, Martha McSally, Grace F. Napolitano, Rick Nolan, Tom O'Halleran, Collin Peterson, Ed Perlmutter, Jared Polis, Dave Reichert, Jacky Rosen, David Schweikert, Mike Simpson, Kyrsten Sinema, Adam Smith, Scott Tipton, Dina Titus, Greg Walden, Tim Walz.

**FY 2019 Endorsements (14):** American Public Power Association; National Rural Electric Cooperative Association; Arizona Municipal Power Users' Association, Arizona Power Authority, Colorado River Energy Distributors Association; Electrical District #3, Pinal County, Arizona; Grand Canyon State Electric Cooperative Association; Irrigation & Electrical Districts' Association of Arizona; Mid-West Electric Consumers Association; Northwest Public Power

Association; Public Power Council; Southeastern Federal Power Customers, Inc.; Tennessee Valley Public Power Association; Utah Associated Municipal Power Systems.

###

