



2021 Legislative Conference

FEDERAL ADVOCACY PRIORITIES

Refinancing Co-op Loans with RUS Will Support Rural Communities

About 500 electric cooperatives use financing from the Rural Utilities Service (RUS) to deliver affordable and reliable electricity to our communities. Unlike most other loans, RUS loans cannot be refinanced to take advantage of lower interest rates. As a result, electric cooperatives are paying significantly higher interest rates, which costs co-op consumer-members millions of dollars. A bipartisan bill has been introduced to allow co-ops to refinance RUS loans without penalty.

The legislation would save co-ops and their consumers as much as \$10 billion if they are able to take advantage of current low interest rates – money co-ops could use to help their community recover from the pandemic. Congress should allow electric cooperatives to take advantage of low interest rates to reprice RUS debt without penalty.

Ask members of Congress to cosponsor the Flexible Financing for Rural America Act and encourage them to pass this important legislation.

Co-op Access to Tax Incentives to Promote Advanced Energy Technology

Federal policies should incentivize clean energy innovation while avoiding higher energy costs for co-op consumer-members, many whom can least afford them.

Reliable, affordable electricity is the foundation of economic opportunity and evolving electric co-op consumer-member expectations. A diverse energy portfolio, including emerging technologies, helps co-ops maintain affordable rates and high reliability.

Developing clean energy resources and innovative technologies carries significant capital expense. The federal tax code provides tax credits to for-profit businesses to encourage the development of various energy sources, including wind and solar energy.

Because of their not-for-profit tax status, electric co-ops are locked out of those same tax incentives and are handcuffed when working to implement innovative technologies.

Congress should allow electric co-ops to take advantage of energy tax incentives through direct pay tax credits to promote the development of advanced energy resources, including battery storage, renewable energy, and carbon capture, utilization, and storage.

Target Increased Federal Funding to Rural Broadband Expansion

It's unacceptable that millions of Americans remain sidelined and disconnected from the internet simply because of their zip code. That's why nearly 200 electric co-ops are answering the call and providing broadband that brings new opportunities for education, business, and healthcare. Many others are exploring the feasibility of broadband on their own or through a partnership.

Continued federal investment through grant and loan programs is necessary to make broadband available to all Americans.

Congress should sustain investment in broadband programs across federal agencies, targeting federal resources at unserved and underserved communities.

Prioritize grants to projects in areas with the lowest population densities.

As required by Congress, federal agencies must implement more accurate and granular broadband coverage data and maps to highlight service gaps and better target federal broadband funds.

Continue to Build Your Relationship

Invite your members of Congress to meet virtually with your employees, visit your co-op, attend an annual meeting or tour a facility.



@NRECANews #CoopsOnTheHill