



May 7, 2021

Submitted via www.regulations.gov

ATTN: Ms. Amy Frantz, CEW-P U.S. Army Corps of Engineers 441 G St. NW Washington, DC 20314

RE: Water Resources Development Act of 2020 Comment Period (March 8, 2021); Docket No. COE-2021-0002

To Whom It May Concern:

The American Public Power Association (APPA) and National Rural Electric Cooperative Association (NRECA) appreciate the opportunity to offer comments on provisions of the Water Resources Development Act of 2020 (WRDA 2020) and specifically their implications for federal hydropower customers.

APPA is the national service organization for not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. Public power utilities account for over 15 percent of all kilowatt-hour sales to over 49 million customers in every state but Hawaii. NRECA is the national trade association representing nearly 900 local electric cooperatives and other rural electric utilities. America's electric cooperatives are owned by the people that they serve and comprise a unique sector of the electric industry. From growing regions to remote farming communities, electric cooperatives power one in eight Americans and serve as engines of economic development for 42 million Americans across 56 percent of the nation's landscape.

The federal Power Marketing Administrations (PMAs) provide cost-based hydroelectric power produced at federal dams operated by U.S. Army Corps of Engineers (Corps) to millions of Americans served by not-for-profit public power and rural electric cooperative utilities ("preference customers"). Rates are set to cover the costs of generating and transmitting the electricity, as well as repayment, with interest, of the federal investment in these hydropower projects. As such, preference customers have a strong interest in ensuring that the Corps implements WRDA 2020 in a manner that does not adversely impact the cost-effectiveness of the clean, reliable hydropower marketed by the federal Power Marketing Administrations (PMAs).

WRDA 2020 directs the Corps to undertake a number of studies evaluating the use of water supply at various Corps projects. It is critical that the Corps reach out to the PMAs and their

federal hydropower customers early during these studies to understand how any changes contemplated would impact hydropower operations and any associated costs. The PMAs and federal hydropower customers possess firsthand knowledge and specialized expertise on how any changes to operations at the Corps facilities will impact hydropower output. During a time when states across the country are contemplating or already implementing clean energy standards, along with the federal government contemplating various proposals that would require increasing amounts of clean energy, it is critical that federal hydropower remain a cost-effective option to our members. Hydropower is clean and reliable and must not be priced out of the market due to increasing costs from operational changes that the Corps could make without adequately consulting the PMAs.

Further, customers have invested billions of dollars in Corps facilities to upgrade and rehabilitate them over the last few decades. Customers are committed to continuing that investment to maintain federal hydropower as a viable component of their power supply. If the Corps makes operational changes that curtail hydropower output, it will harm the value of these customer investments. We urge the Corps to work with the PMAs and customers to fully understand and account for the value of federal hydropower.

We also want to express our support for the Public Power Council's comments in this docket. PPC represents many of our members in the Pacific Northwest. We echo PPC's urging for the Corps to expeditiously complete the study authorized under section 218 of WRDA 2020. As PPC notes, deauthorizing commercial power production at the Cougar, Detroit, and Big Cliff dams, as specifically directed in section 218, will benefit the customers of Bonneville Power Administration, fish mitigation opportunities, and other project purposes at these facilities.

Thank you for your consideration. Please contact us at 202-467-2934 or <u>athomas@publicpower.org</u> and at 703-907-5732 or <u>stephanie.crawford@nreca.coop</u> if you have any questions.

Sincerely,

Amy Thomas Senior Government Relations Director American Public Power Association Stephanie Crawford Senior Regulatory Manager National Rural Electric Cooperative Association