



February 12, 2019

Submitted to WRDA2018@usace.army.mil

Ada Benavides
Senior Policy Advisor
Planning and Policy Division
Room 3F86
441 G Street NW
Washington, DC 20314-1000

RE: Section 1139, Water Infrastructure Improvements for the Nation Act

Dear Ms. Benavides:

The American Public Power Association (APPA) and National Rural Electric Cooperative Association (NRECA) appreciate the opportunity to offer comments on Section 1139 of the Water Infrastructure Improvements for the Nation Act ("WIIN") as requested by the Assistant Secretary of the Army for Civil Works.

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 service organization representing the national interests of cooperative electric utilities and the consumers they serve. More than 900 not-for-profit rural electric utilities provide electric energy to over 42 million people in 47 states, or 12 percent of electric customers nationwide.

APPA and NRECA strongly support and endorse the comments submitted on this subject by the Southeastern Federal Power Customers (SeFPC), Southwestern Power Resources Association (SPRA) and Tennessee Valley Public Power Association (TVPPA).

The federal Power Marketing Administrations (PMAs) and Tennessee Valley Authority (TVA) provide millions of Americans served by not-for-profit public power and rural cooperative electric utilities ("preference customers") with cost-based hydroelectric power produced at federal dams operated by the U.S. Army Corps of Engineers (Corps) and the Bureau of Reclamation. 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 costs are appropriately assigned by the Corps.

Consistent with the clear intent of Congress, Section 1203 of the Dam Safety Act should be interpreted to limit the cost sharing responsibilities of power customers when dam modifications are required to correct issues related to public safety. Failure of the Corps to develop guidance that appropriately

assigns dam safety costs would saddle preference customers with costs that should be borne by the public. Shifting costs to preference customers increases the risk that they will abandon the Federal power program in search of lower rates, ending the years-long and mutually beneficial partnership between customers, the PMAs and TVA, and the Corps.

Thank you for your careful consideration of the comments of SeFPC, SPRA and TVPPA. If you have any questions, please contact Amy Thomas at 202-467-2934 or athomas@publicpower.org and Samantha McDonald at 570-244-5113 or Samantha.McDonald@nreca.coop.

Sincerely,

Desmarie Waterhouse
Vice President & Counsel
American Public Power Association

Jay Morrison
Vice President, Regulatory Affairs
National Rural Electric Cooperative Association