United States Senate

WASHINGTON, DC 20510

March 27, 2015

The Honorable Jerry Moran
Chairman
Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member
Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Moran and Ranking Member Merkley:

As you consider the fiscal year 2016 Agriculture Appropriations bill, we write to express our strong support for funding Rural Utility Service (RUS) Electric Loans at the same level as last year, a level lower than requested by the President.

Consumer-owned, not-for-profit electric cooperatives generate less than five percent of the nation's electric power but maintain nearly half the nation's electric distribution lines. Electric cooperatives' distribution systems cover 75 percent of this country's land mass while serving 12 percent of American electric consumers. Electric cooperatives use RUS Electric Loans to finance electricity generation and distribution and provide affordable, reliable electric service to approximately 42 million people every day.

As you know, these loans are repaid with interest and have an extraordinary track record of repayment. RUS Electric Loans also contribute to deficit reduction. In fiscal year 2016 alone, electric loan repayments will net nearly $300 million to the U.S. Treasury.

The President's Budget recommends that portions of the total loan amount be directed toward specific purposes. Instead, we suggest RUS lending continue to be driven by the needs of the borrower rather than limited by the type of project proposed. This flexibility will help meet the diverse challenges of RUS electric borrowers and ensure loans are available whether the project is for environmental upgrades to current generation, the construction of renewable or natural gas generation, or the development of new baseload generation.

Lowering the U.S. deficit and keeping consumer co-op electric bills affordable are mutually beneficial goals we can all support. Thank you for your consideration of our request.

Sincerely,

James M. Inhofe
United States Senator

Heidi Heitkamp
United States Senator

Tammy Baldwin
United States Senator

John Barrasso, M.D.
United States Senator

Richard Burr
United States Senator

Tom Carper
United States Senator

Joe Donnelly
United States Senator

Mike Enzi
United States Senator

Deb Fischer
United States Senator

Cory Gardner
United States Senator

Chuck Grassley
United States Senator

Martin Heinrich
United States Senator

John Hoeven
United States Senator

Johnny Isakson
United States Senator

Angus King
United States Senator

Joe Manchin III
United States Senator

Gary Peters
United States Senator

M. Michael Rounds
United States Senator

Tim Scott
United States Senator

Dan Sullivan
United States Senator

Jon Tester
United States Senator

John Thune
United States Senator

Thom Tillis
United States Senator

Tom Udall
United States Senator

Roger Wicker
United States Senator

Ron Wyden
United States Senator

David Perdue
United States Senator