



BENTON RURAL ELECTRIC ASSOCIATION

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A Touchstone Energy® Cooperative 

2019 Benton REA Congressional Priority Issues

I. Bonneville Power Administration Competitiveness

The Bonneville Power Administration's (BPA) plays a critical role in providing reliable, carbon free electricity to the northwest. However, BPA has been burdened with significant cost increases throughout the last few decades, causing concerns about its long-term competitiveness. With utilities evaluating their future power supply options, BPA must become more competitive for it to survive. Benton REA is working with other utilities, trade organizations such as PPC, and directly with BPA to address BPA's competitiveness. Here are a few areas of focus:

- Update Cost Allocations: Benton REA fully supports the language included in the House passed Energy and Water Appropriations bill that initiates a review of cost allocations for projects within the Federal Columbia River Power System (FCRPS).
- BPA to Pay Carbon Fees: Benton REA supports language included in the House passed Energy and Water Appropriations bill that enables BPA to pay carbon fees associated with its surplus sales.
- Balanced Cost Share for CRSO: Recent data compiled by the Public Power Council shows that low-income households are disproportionately served by public power systems. Which means that costs associated with the Columbia River System Operations (CRSO) and its fish and wildlife programs are disproportionately burdening low-income households. These costs must be shared by all northwest taxpayers.

II. Support Rural Act & Electric Co-ops Tax Exempt Status

Prior to 2018, co-ops could accept governmental grants, such as FEMA grants, as a contribution to capital and not as income. Due to changes from the 2017 tax law, these governmental grants are now categorized as income. This rule could result in electric co-ops across the country losing their tax-exempt status, simply by accepting grants, such as FEMA grants to rebuild after natural disasters. The fact that electric co-ops serve the rural areas makes their tax-exempt status critical to providing essential services to those areas. Benton REA strongly supports S. 1032 and H.R. 2147 to restore the ability to accept government grants without jeopardizing our tax-exempt status.

III. Rural Broadband

Benton REA is a strong advocate for expanding and improving internet connectivity (broadband) in rural, unserved areas. Benton REA is currently conducting a detailed feasibility study on providing rural broadband in its electric service area. We are working with the Washington State Governor's Office to address rural broadband in Washington. Electric Cooperatives, like Benton REA, can and should be considered as a partner in this effort and can be part of the solution.