## Congress of the United States

Washington, DC 20515

June 2<sup>nd</sup>, 2023

The Honorable Willie Phillips, Chairman Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

The Honorable James Danly Commissioner Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426 The Honorable Allison Clements Commissioner Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

The Honorable Mark Christie Commissioner Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

RE: Docket No. ER21-2818-000

Dear Commissioners,

It is our understanding that you will soon be making a decision regarding what exit fee is owed by members who opt to prematurely terminate their contractual obligations to their fellow member-owners of Tri-State Generation and Transmission Association (Tri-State). As FERC considers this decision, we strongly urge you as Commissioners to carefully consider the unique relationship between rural distribution cooperatives and their generation and transmission (G&T) provider, as well as the purpose of G&Ts and the critical value they provide.

Throughout our states and districts, electric cooperatives serve as the backbone of many rural communities. Electric cooperatives play a critical role providing affordable and reliable electricity to often overlooked and underserved areas. They help create community economic development opportunities and raise the quality of life for our rural constituents. Because of the higher costs of serving these areas, in which for-profit utilities have often declined to invest, distribution cooperatives must rely on one another to build economies of scale, reduce costs, and ensure reliable service through long-term contractual commitments—i.e., the G&T.

As Members of Congress from largely rural states and districts, we write you because the Commission's impending decision could leave the majority of Tri-State's members with unjust costs and rate increases while jeopardizing their ability to provide affordable, reliable and resilient power to our rural constituents who depend on it. This is particularly concerning where some of the wealthiest members, most capable of representing their own interests, are those that would have the Commission shift costs to rural cooperatives that can least afford it.

The current proceeding is of significant importance to the communities and livelihoods of our constituents and the cooperative industry at large. For this reason, we urge you to ensure that the cost to break a contract early does not result in a cost-shift and rate increases to the remaining membership. Thank you for your time and attention to this important matter.

Sincerely,

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Cynthia M. Lummis United States Senator

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Harriet Hageman Member of Congress

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Doug Lamborn Member of Congress

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John Barrasso, M.D. United States Senator

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Adrian Smith Member of Congress