National Rural Electric
Cooperative Association
A Touchstone Energy® Cooperative

Jeffrey Connor

February 23, 2016

The Honorable Fred Upton
Chairman
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton and Ranking Member Pallone:

I am writing on behalf of the National Rural Electric Cooperative Association (NRECA) in support of H.R. 2984, the Fair Ratepayer Accountability, Transparency, and Efficiency Standards Act (Fair RATES Act). NRECA is the national service organization for more than 900 not-for-profit rural electric utilities that provide electric energy to approximately 42 million consumers in 47 states, or 13 percent of the nation's population. Electric cooperatives were formed, and exist, to provide reliable electric service to their owner-members at the lowest reasonable cost.

The Fair RATES Act would amend Subsection (d) of Section 205 of the Federal Power Act to provide that "any inaction" by the Federal Energy Regulatory Commission (FERC) that allows a rate change to go into effect shall be treated as an order by FERC for purposes of rehearing and court review. Currently, rate changes take effect if FERC fails to act or is deadlocked, and such inaction / deadlock cannot be appealed. This is because according to FERC there is no formal "decision" to rehear or appeal. The Fair RATES Act would fix this technical flaw, which results in a denial of rights to further review that would otherwise be afforded to parties who are aggrieved by FERC's orders.

NRECA agrees that the Fair RATES Act will provide significant benefits, and we urge the Energy and Commerce Committee to favorably report the bill. We applaud you for taking action on this bipartisan bill.

Sincerely,

Jeffrey C. Connor, Interim CEO

cc: Honorable Joseph Kennedy III