

**United States Senate**  
WASHINGTON, DC 20510

June 7, 2017

The Honorable Rick Perry  
Secretary  
U.S. Department of Energy  
1000 Independence Avenue SW  
Washington, D.C. 20585

Dear Secretary Perry:

We are writing in opposition to a provision in the President's FY 2018 Budget to auction-off the transmission assets of the Department of Energy's Power Marketing Administrations (PMAs). This is not the first time this short-sighted proposal has come up and, as usual, it is being opposed on a bipartisan basis.

The PMAs -- the Southeastern Power Administration, the Southwestern Power Administration, the Western Area Power Administration and the Bonneville Power Administration -- market and transmit power generated at federal hydropower dams primarily to rural electric cooperatives and public power utilities serving consumers in 34 states. They have provided reliable and affordable electric service and are crucially important to rural communities in our states.

Federal power marketing is one of the few federal programs that not only fully pays its way, but actually provides benefits to the Federal government's balance sheet. PMA power rates are set to fully recover -- with interest -- taxpayers' investments in the hydropower capability of the dams. In addition, federal power rates also financially support the flood control, navigation, irrigation, water supply, wildlife enhancement, recreation and salinity control functions at these multipurpose federal dams. In many cases, Federal water projects would not have been built but for the anticipated revenue associated with the sale of the power that is generated.

The PMAs, except for the Southeastern Power Administration, also own and operate thousands of miles of high-voltage transmission lines. These transmission facilities, in large part, were built and are operated to deliver the hydropower generated at Federal water projects to the PMA customers. They serve as a backbone of the electric grid in our states. The sale of these PMA transmission assets would threaten the integration of these facilities with the PMAs' power marketing responsibilities, raising rates and impairing grid reliability.


Sale of the PMAs transmission facilities would not advance the President's infrastructure objectives. In fact, privatization of existing assets could affect opportunities for new infrastructure investments. Moreover, any private entity buying PMA assets will want to recover their investment. The resulting rate increases would take money out of the pockets of consumers and businesses in our states.

There are improvements that can and should be made to the operations of some PMAs, but the dismantling of them is simply not sound governmental policy. Instead, we look forward to working with you to make needed investments in PMA infrastructure and ensuring the future value of this important federal asset.

Sincerely,



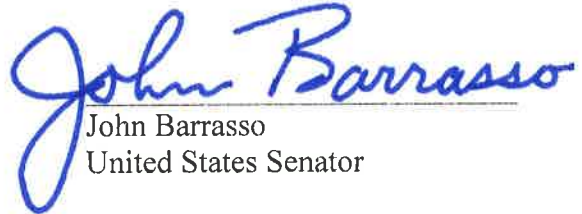
Maria Cantwell  
United States Senator



James E. Risch  
United States Senator



Ron Wyden  
United States Senator



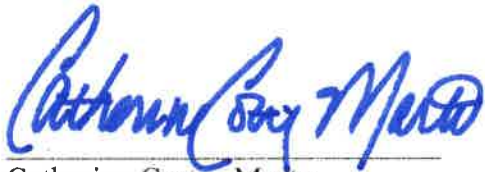
John Barrasso  
United States Senator



Michael F. Bennet  
United States Senator



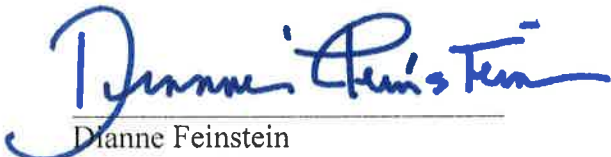
Mike Crapo  
United States Senator



Catherine Cortez Masto  
United States Senator



Steve Daines  
United States Senator



Dianne Feinstein  
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John Hoeven  
United States Senator



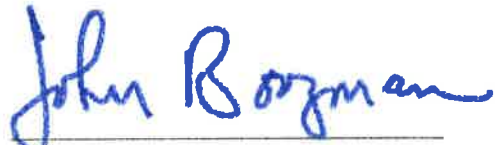
Al Franken  
United States Senator



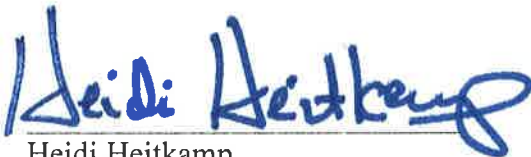
M. Michael Rounds  
United States Senator



Martin Heinrich  
United States Senator



John Boozman  
United States Senator



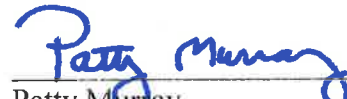
Heidi Heitkamp  
United States Senator



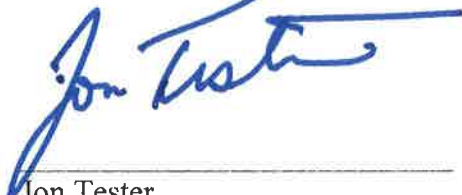
Claire McCaskill  
United States Senator



Jeffrey A. Merkley  
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United States Senator



Jon Tester  
United States Senator



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