Dear Chairman Conaway and Ranking Member Peterson:

As conference discussions on the Farm Bill get underway, we respectfully express our concerns regarding the provision in the Senate bill on the RUS Cushion of Credit program. The Senate provision would reduce interest paid on existing deposits retroactively and eliminate future deposits. We believe the combination of these changes break the government’s commitment to RUS borrowers, including our constituents, Oglethorpe Power Corporation, Georgia Transmission Corporation and the 35 individual electric cooperatives in Georgia that are RUS borrowers. The Cushion of Credit is an escrow-like account; the funds deposited in the account and the interest earned on the deposits cannot be withdrawn and may only be used to repay RUS/FFB debt.

For Georgia’s not-for-profit electric cooperatives, these changes will result in increased energy costs. If the Senate provision is upheld in final legislation, we understand it could cost Oglethorpe Power, the EMCs’ wholesale energy provider, and Georgia Transmission, the EMCs’ transmission cooperative, combined more than $100 million over five years. These retroactive changes to the Cushion of Credit program undermine Georgia’s constant efforts to keep rates affordable for energy consumers. As you know, cooperatives operate with significant economic disadvantages. This is particularly true for Georgia coops, partly because of the very low density of their service areas and the economic challenges faced by the people they serve.

We urge you to reject this ill-conceived pay-for in the Senate bill and protect the rural Americans served by RUS borrowers from unwarranted rate increases.

Sincerely,

[Signatures]

Earl L. ‘Buddy’ Carter
Member of Congress

[Signature]

A. Drew Ferguson IV DMD
Member of Congress

[Signature]

Sanford D. Bishop, Jr.
Member of Congress

[Signature]

Henry C. “Hank” Johnson, Jr.
Member of Congress
Rob Woodall  
Member of Congress

Doug Collins  
Member of Congress

Barry Loudermilk  
Member of Congress

David Scott  
Member of Congress

Karen Handel  
Member of Congress

Austin Scott  
Member of Congress

Jody Hice  
Member of Congress

Rick W. Allen  
Member of Congress

Tom Graves  
Member of Congress