

## **NEPPA Resolution**

### **Support Financing Tools for Consumer-Owned Utilities**

WHEREAS, public power and cooperative utilities are governed in the public interest by their members or local boards, and;

Whereas, these not-for-profit business models make public power and cooperative utilities particularly deserving of advantageous financing opportunities, and;

Whereas, public power entities have long enjoyed the ability to issue municipal bonds on a tax-exempt basis, and;

Whereas, cooperatives are eligible for low-interest loans from the U.S. Department of Agriculture's Rural Utilities Service (RUS) program, and;

Whereas, the ability to refinance or reprice these instruments at current market interest rates will enable local infrastructure investment and realize cost savings for customers of not-for-profit utilities,

Whereas, the receipt of comparable energy tax incentives for public power and cooperative utilities will eliminate disparity in accessing federal resources, spur renewable investment, and provide greater reliability and affordability for customers of not-for profit utilities, then;

Be it now

RESOLVED, that NEPPA:

1. Supports the use of unique financing tools, including municipal bonds for public power utilities and RUS loans for cooperative utilities.
2. Supports the reinstatement of advance refunding municipal bonds on a tax-exempt basis.
3. Supports robust funding for RUS and the ability to reprice RUS loans without prepayment penalties.
4. Supports the collection of refundable direct payments of the investment and production tax credits for public power and cooperative utilities.

Recommended by A & R 7.8.2021

Board of Directors voted unanimously to support 8/25/2021.