

Utility Impacts of COVID-19

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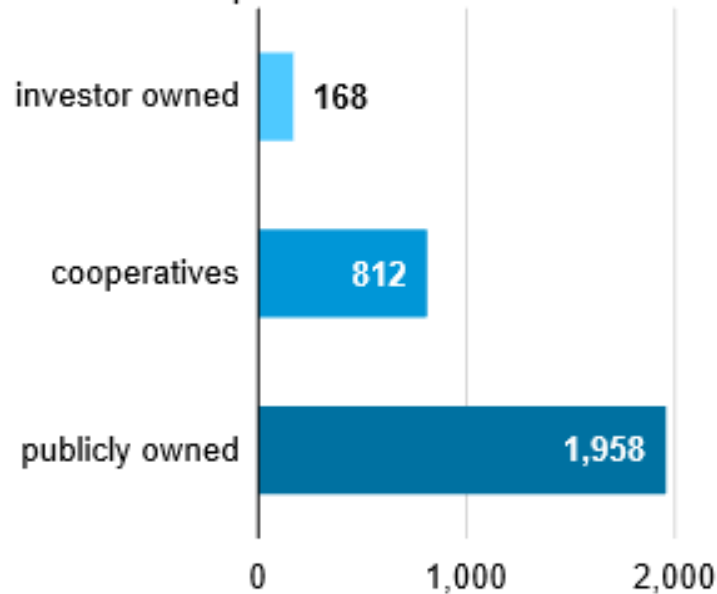
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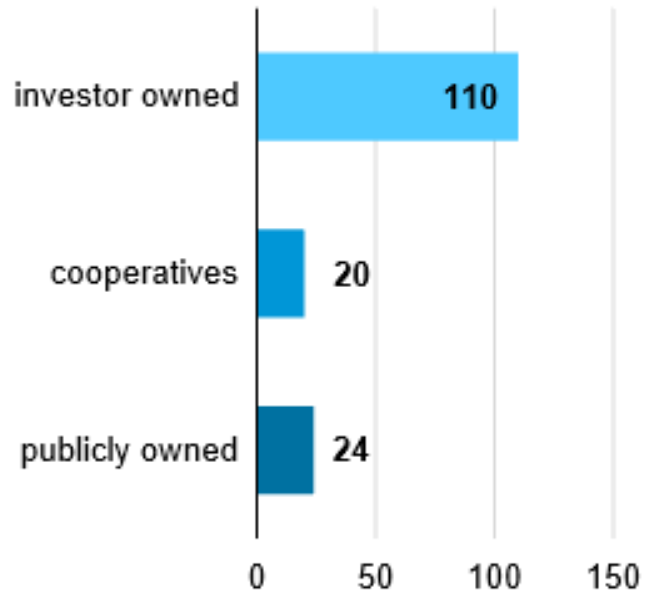
Electric Utilities – IOUs, P.U.s and Co-ops

U.S. electric utilities by ownership type (2017)

number of companies



million customers



Source: U.S. Energy Information Administration, [Annual Electric Power Industry Report](#)

Rural Electric Cooperatives: Who We Are



**At-cost
electric service**



**Locally
governed**



**Return excess
revenue**



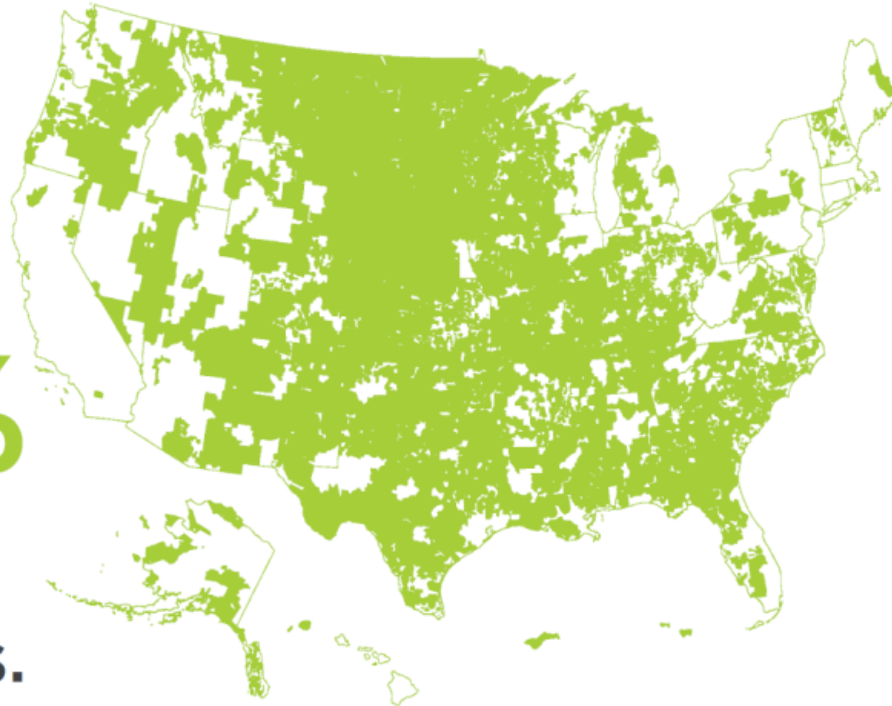
**Community
builders**

Cooperatives

Power

56%

**of the
nation's
landmass.**



Co-ops

Consumers Per Mile:
7.98

Revenue Per Mile:
\$19,135

Rest of Industry

Consumers Per Mile:
32.40

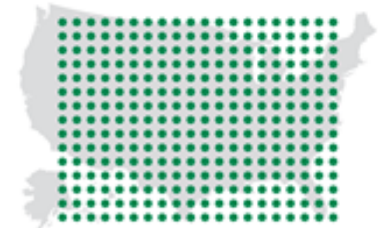
Revenue Per Mile:
\$79,298

NRECA International

Powering communities
and hope by creating
**250 rural
utilities**
across the globe.

Serving **160 million**
people in **43 countries**

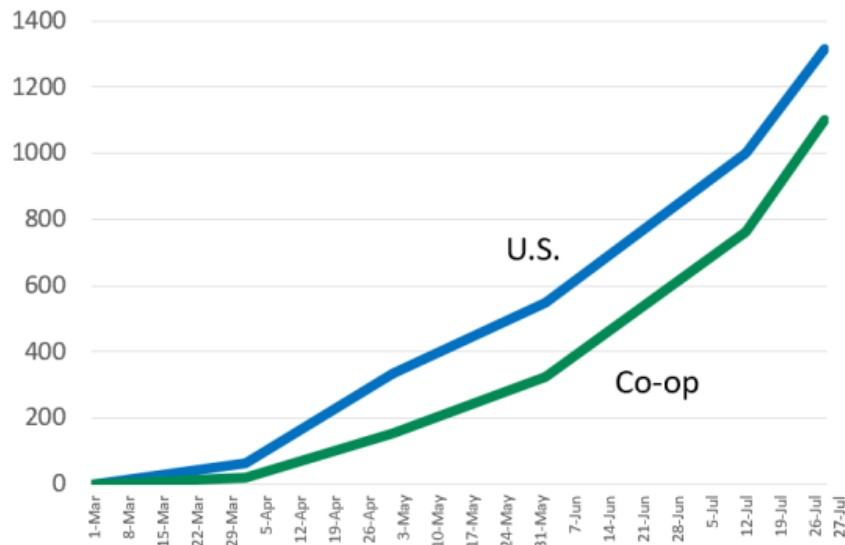
4x the number of U.S.
rural co-op connections.



**300 U.S. electric
cooperatives**
are empowering international
communities with passion and
concern for community

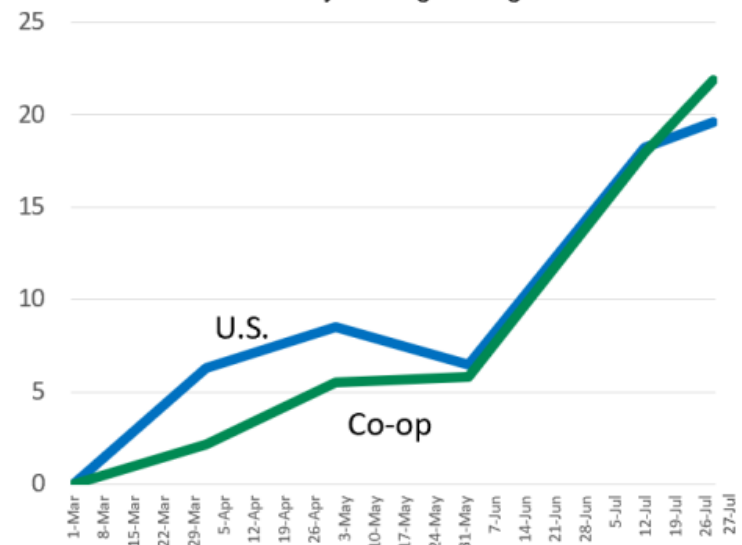
COVID-19 Infection Rates in Top Areas

Average Infection Rate Per 100,000



Daily Infection Rate Per 100,000

7-Day Moving Average



• Unemployment/The Economy

- Agriculture
- Manufacturing
- Oil and Ethanol
- Tourism



With many dairies across the nation slow to switch production to meet increased retail demand, some dairy farmers have been forced to dispose of surplus milk on their farms. (Photo By: Brittany Thurlow/10-Mile Dairy)

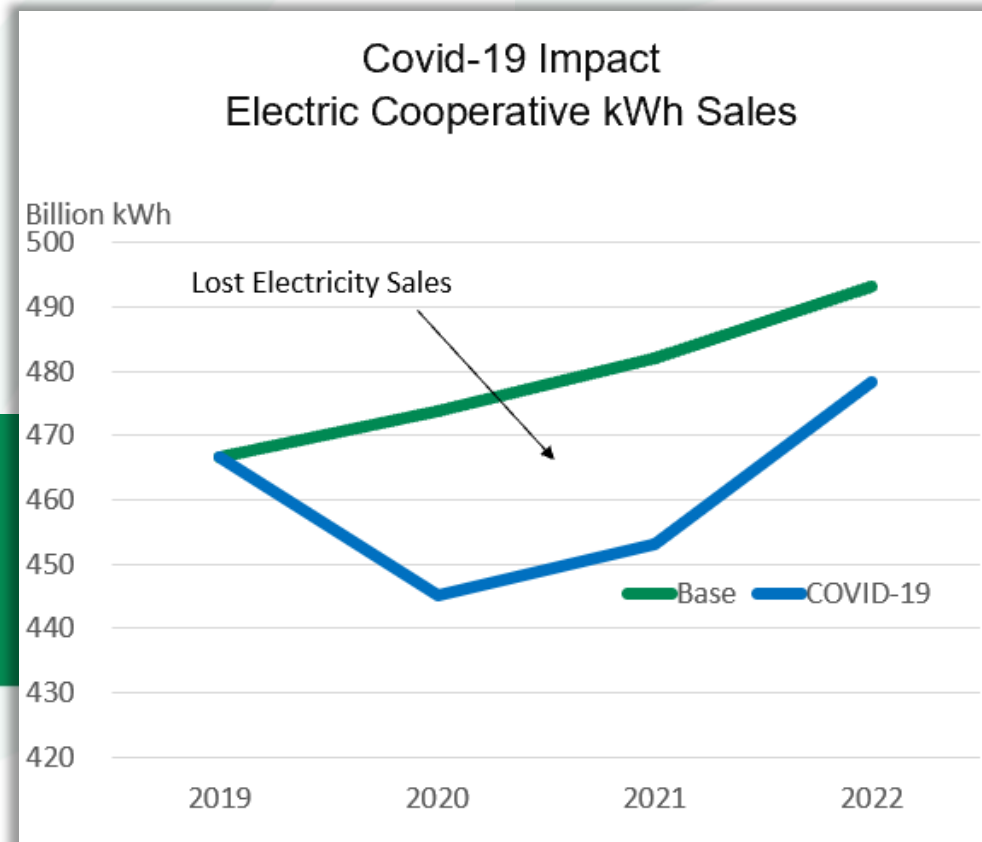
- Load Loss

- Nonpayment

- Implementing COVID-19 Work Practices



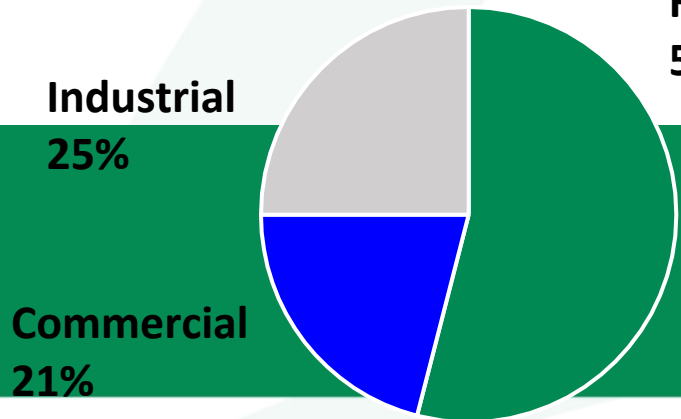
Holy Cross Energy in Colorado is among the co-ops that have seen its electricity sales drop and its members lose jobs during the coronavirus pandemic. (Photo By: Holy Cross Energy)



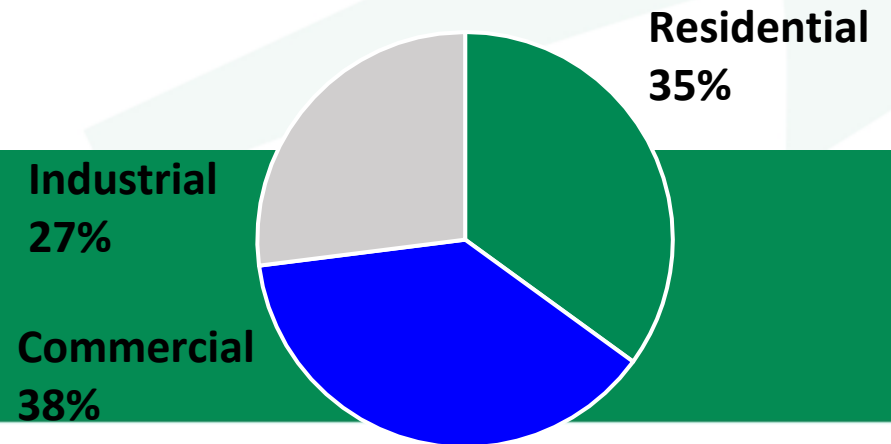
Sources: FRB of St. Louis, J.P. Morgan, Moody's Analytics, and NRECA analysis, April 2020

Composition of Electric

CO-OPS



Total Electric Sector

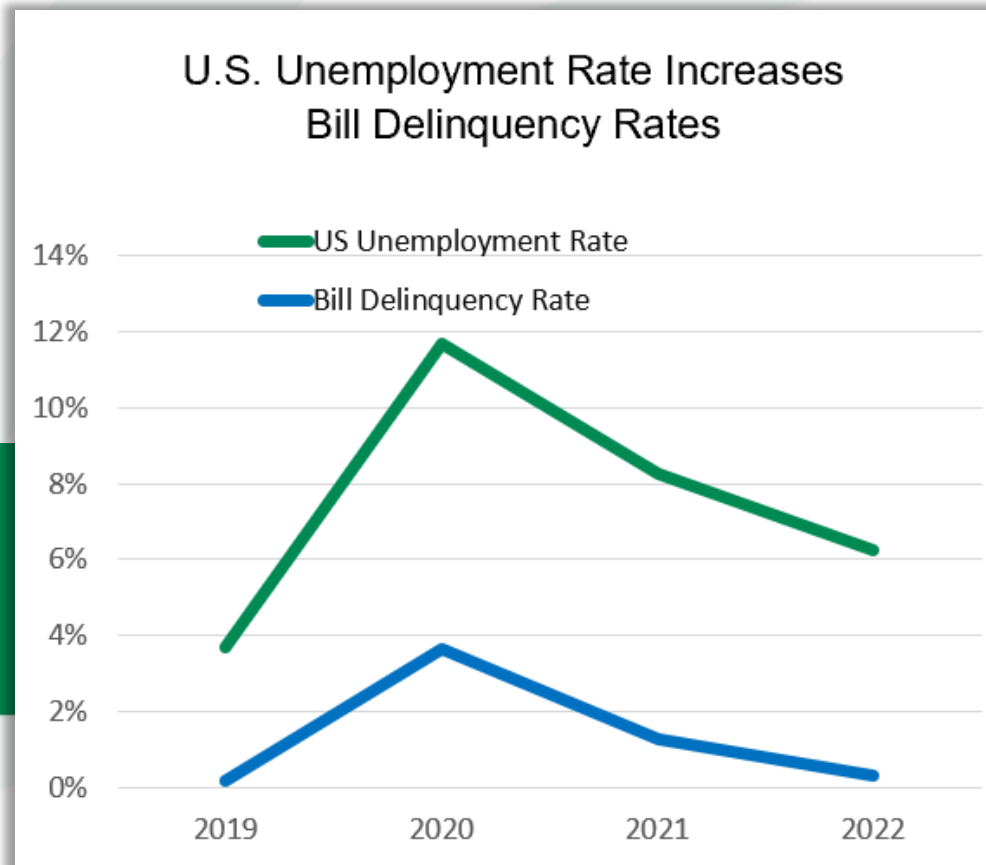




Some members of the Columbia Rural Electric Association in Washington are struggling to pay their electric bills because of layoffs in the tourism industry. (Photo courtesy of Columbia REA)



The timber industry and regional manufacturing in eastern Oregon have been slowed by the coronavirus. (Photo courtesy of Oregon Trail Electric Cooperative).



Sources: FRB of St. Louis, J.P. Morgan, Moody's Analytics, and NRECA analysis, April 2020

**\$7.4 billion loss in operating revenue
(5% decline in electricity sales)**

+

\$2.6 billion in unpaid bills

What are Co-ops Doing

- Consumer-Focused Response
- Waiving Penalties/Late Fees
- Returning Capital Credits/Security Deposits
- Prepaid Metering Programs
- Education/Communication
- Energy Efficiency/Weatherization
- Community Assistance Programs
- LIHEAP

Co-ops Help with their Members During the Pandemic

During the Pandemic



(Photo By: Geoff Oldfather)



(Photo By: Bedford Chamber of Commerce)



(Photo By: TVA)

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Overview

- What is “Public Power”?
- Effects of COVID-19 on Public Power
 - Physical
 - Financial
- Congressional Response
- Priorities Looking Ahead

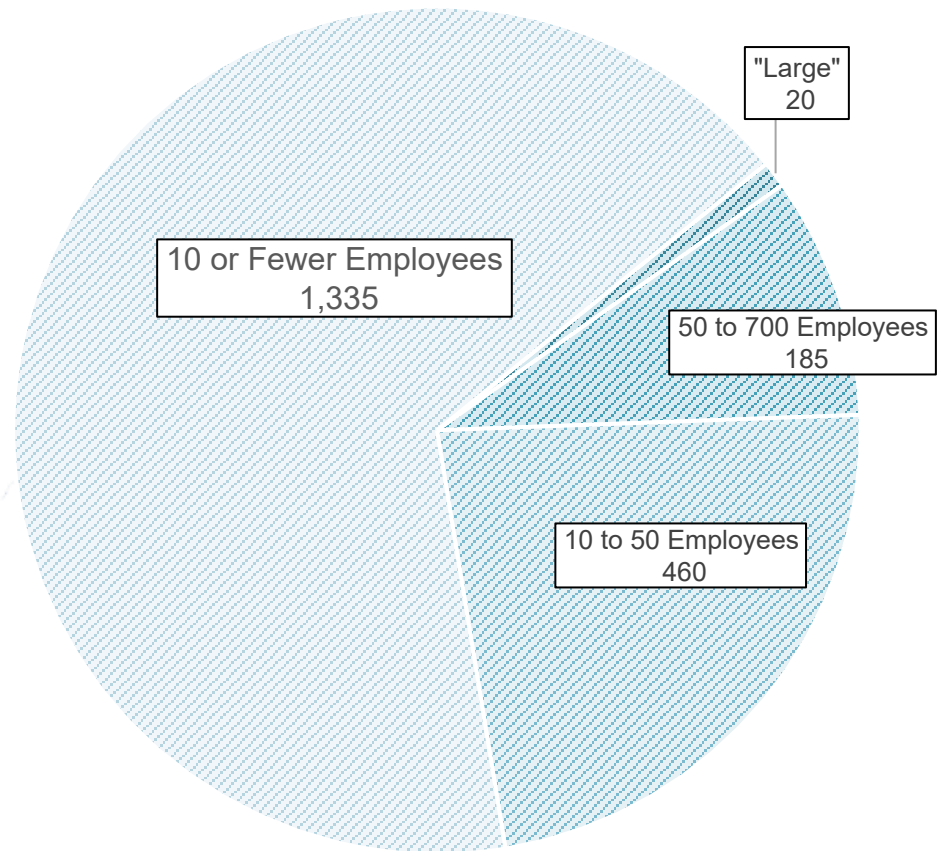


80 Years of Powering Strong Communities

What Is Public Power?

- Nearly 2,000 electric power utilities owned and operated by their local government.
 - Also 80 (ish) Joint Action Agencies
- Every State and Territory (except HI and DC)
- 15 percent of retail market
 - 22 million homes (49 million people)
 - 2.6 million businesses

2,000 Public Power Utilities by Size (# of Employees)



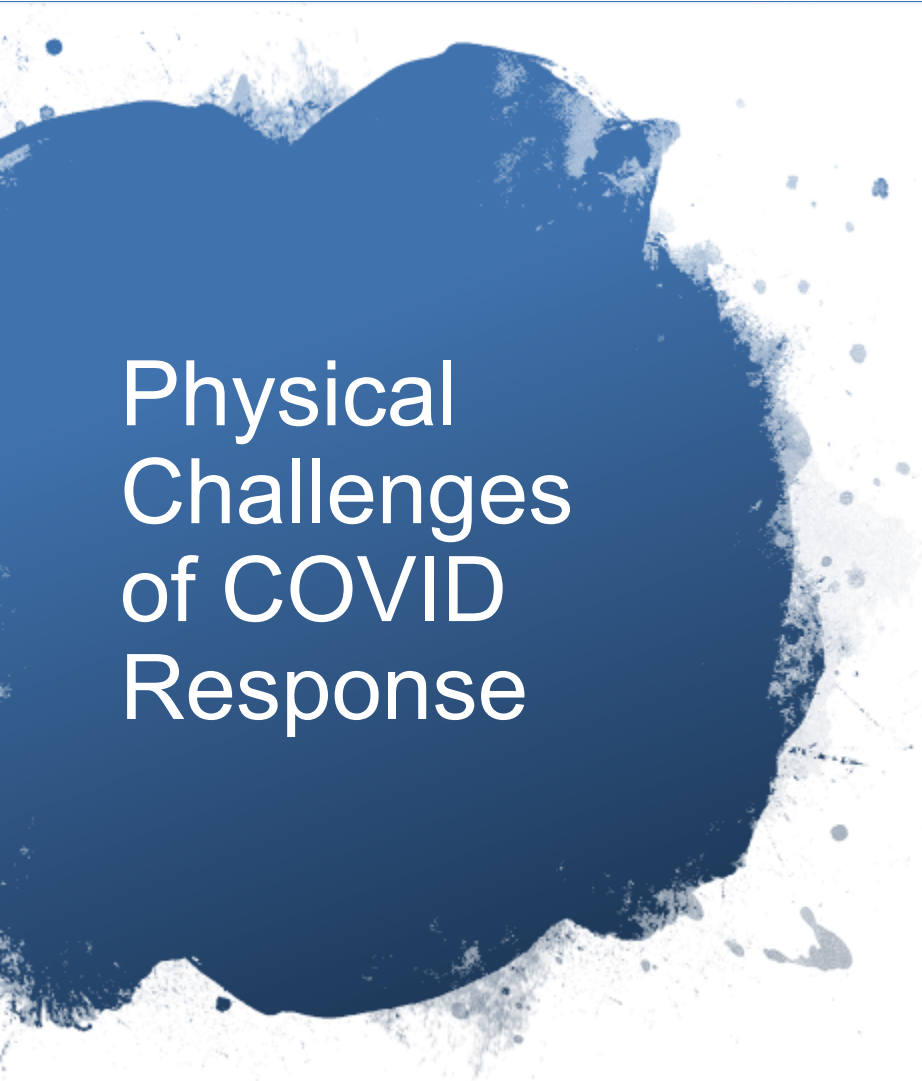
AMERICAN
**PUBLIC
POWER**
ASSOCIATION

80 Years of Powering Strong Communities

The top priorities for public power utilities throughout the pandemic have been *the physical and financial resources needed to operate while keeping workers and customers safe.*

A handwritten signature in black ink, appearing to be 'D. B. H.', written in a cursive style.

President & CEO



Physical Challenges of COVID Response

- Redesign work procedures and sites (CDC guidelines)
- Acquire testing, PPE, other equipment
- Build virus contact tracing programs
- Alter construction practices and schedules
- Quarantine and isolate workers
- Partner or set up internal shops for PPE and sanitizer manufacture



Financial Challenges (2020)

- Up to \$5 billion in lost revenue
 - *\$1 billion in arrearages*
 - *\$3-4 billion in decline in load*

Congressional Response and Public Power

YES

- CARES Act/Coronavirus Relief Funds
 - \$150 billion
 - Utility Assistance payments
- LIHEAP supplemental
 - \$900 million

NO

- Payroll Tax Credits for paid emergency sick and family leave
 - \$104 billion
- Paycheck Protection Program for small business wages
 - \$600 billion



Priorities

- LIHEAP Funding
- Direct Aid to Public Power
 - To finance customer assistance
- Coronavirus Relief Funds
 - To finance customer assistance
- Bond Financing amendments
 - Allow debt refinancing
 - Allow smaller utilities to more readily borrow from local banks
- Other issues

Continuing the Learning

- Please contact:

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- Or, to find out more about public power:

<https://www.publicpower.org>



80 Years of Powering Strong Communities



Live Q&A

Submit a question to be answered by our speakers **LIVE!** Questions will be read aloud by the moderator. We will attempt to answer as many questions as possible.

